

Directorate of
Intelligence

~~Secret~~

~~EXCLUDED FROM R/W~~

[REDACTED]

b3

Near East and South Asia Review

b3

22 May 1987

~~Secret~~

22 May 1987

07 392

b3

Approved for Release
Date JUN 1999

Warning Page Deleted
B-3

Near East and
South Asia Review **b3**

22 May 1987

Page

Articles

Aspects of Foreign Policy Making in the
Arab World **b3**

Most foreign policy decisions in the Middle East are predictable and can be explained in the context of a reasonable, even systematic, approach to protecting national interests. There is, however, considerable latitude for foreign policy actions based on a combination of factors unique to the Middle Eastern decisionmaking process. **b3**

Western Sahara: Possible Types of a Settlement **b3**

The recent summit meeting between King Hassan of Morocco and Algerian President Bendjedid failed to bridge their differences over the Western Sahara conflict. Although they will probably concentrate on a military resolution of the dispute, only a political solution will bring lasting peace. **b3**

Tunisia: Implications of Rioting in Tunis **b3**

Recent demonstrations by Islamic fundamentalists against government repression were the most serious breakdown in public order since early 1984 and generated harsh police reprisals. The crackdown on Islamic fundamentalism by the Bourguiba regime is part of a broader effort to eliminate all independent political activity. **b3**

Jordan: One Year After the Yarmuk Riots **b3**

King Hussein has introduced several reform measures to ameliorate student frustrations while simultaneously increasing surveillance of political and religious activists on campuses since last year's student riots. Even so, student discontent persists, and antiregime groups maintain their potential to exploit student concerns. **b3**

~~Secret~~
~~NOFORN/NOCONTRACT~~

Israel: Muddling Through in South Lebanon [REDACTED] b (3)

17

Israeli officials are concerned over the long-term threat presented by the steady reinfiltration of PLO fighters into southern Lebanon and cooperation among Lebanese Shia factions in the area.

Nevertheless, Israeli leaders see no alternative to continuing reliance on their present South Lebanon security policy. [REDACTED] b (3)

21

b (1) b (3)

Iraq: The Kurdish Problem [REDACTED] b (3)

25

Kurdish insurgencies have periodically threatened the stability of Iraq for decades. The Iranian revolution and the Iran-Iraq war have allowed Kurdish militants in Iraq to revive their rebellion, resulting in a significant increase in military and political cooperation between various Kurdish factions. [REDACTED] b (3)

29

b (1) b (3)

Qatar: Economic Slowdown Takes a Toll [REDACTED] b (3)

33

Qatar's oil-dependent economy has limited prospects for growth until demand for OPEC oil picks up in the early 1990s. Projected oil revenues and still substantial foreign investments should allow the regime to forestall serious deterioration in most aspects of Qatar's extensive social welfare system over the next several years. [REDACTED]

b (3)

~~Secret~~

b1
b3

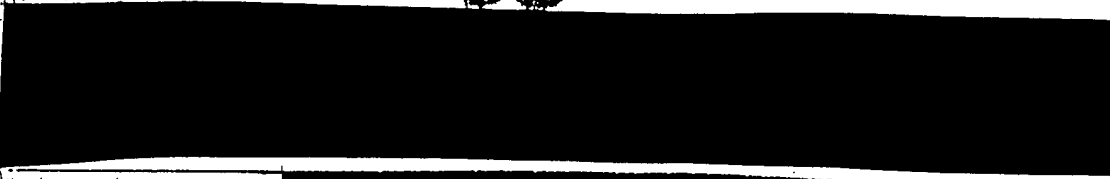


Loya Jirga: Key to Power in Post-Soviet Afghanistan? b3 47

The Afghan Loya Jirga—a "Great Council" of tribal, religious, and civic leaders—has been described by both the Afghan resistance and regime leaders as the key to legitimate power in Afghanistan. A Loya Jirga designed as part of a withdrawal arrangement may prove the most likely means of forming a post-Soviet government. b3

Nepal-North Korea: Drug Allegations
Sullyng the Relationship b3 53

Accumulating circumstantial evidence linking North Korean diplomats to illicit activities, including drug trafficking, is putting a strain on Kathmandu's relations with P'yongyang. Nepal is unlikely to take strong countermeasures, fearing revelations of illegal activities by high-level Nepalese officials and damage to its regional policies. b3



b1
b3



b3



b3

~~Secret~~
~~NO FORN DISSEM~~

Near East and South Asia Review **b3**

Articles

Aspects of Foreign Policy Making in the Arab World **b3**

Most foreign policy decisions in the Middle East are predictable and can be explained in the context of a reasonable, even systematic, approach to protecting national interests. Others are dictated by regional policy shifts and seem outside the control of any one country. Beyond these areas, however, there is considerable latitude for foreign policy actions that are unexpected in the West and based on a combination of factors that are sometimes unique to the Middle Eastern decisionmaking process:

- Decisionmaking is highly personalized, micromanaged, and largely unencumbered by institutional and bureaucratic constraints.
- The strategic scope of Arab foreign policies tends to be narrow, often not extending much beyond neighboring countries and often viewed with an eye to solving domestic problems.
- Decisions are based on skimpy, often faulty, intelligence and, at times, gross misperceptions of foreign intentions and capabilities.
- Once policies are formed, the leadership receives little feedback from public debate, a critical bureaucracy, or honest advisers that would confirm the success or failure of a policy course.
- Arab leaders embody to varying degrees a traditional mindset that is fatalistic and conspiratorial. This reinforces the tendency to fix blame elsewhere, adopt a reactive rather than active approach, and favor subjective over objective thinking.

The autocratic and personalized nature of Middle Eastern governments is perhaps their most universal quality. Real power-sharing arrangements have not

taken hold, except ~~in~~ in Egypt. Democratic experiments in Kuwait and Bahrain have failed. Popular involvement in politics, let alone foreign policy, is practically nonexistent, and the government circle of decisionmakers usually is confined to the ruler and a few key confidants.

This focus of power and personalization affects the process by which foreign policy is considered and made in the following ways:

- *National interest as defined by an objective national security policy becomes subordinate to personal interest*—the two key elements of which are staying alive and staying in power. The component of Saudi foreign aid that is, in effect, protection money against terrorist intimidation is an example.
- *Personal relationships between rulers are often key to determining foreign policies.* Rather than thinking in terms of issues, Arab leaders often think of their neighbors in terms of personal friends or enemies. Examples include the personal vendettas between Saddam Husayn and Khomeini, Assad and Arafat, Assad and Saddam Husayn, and Qadhafi and everybody, or, conversely, the personal friendships between Sultan Qaboos and King Hussein, and King Hassan and many of the Gulf Arabs. As a result, personal favors often substitute for foreign policy, and actions are taken that are out of proportion or in no apparent relation to national interest. Saudi support for the Contras is an apparent example of personal favor as foreign policy.

~~Secret~~

23 May 1987 **b3**

~~Secret~~

- Arab leaders generally are averse to delegating authority. As a result, the power associated in the Western mind with someone of ministerial rank often exceeds the reality in the Middle East, and the bureaucratic structures under the ministers are even less relevant. [REDACTED]

[REDACTED] There are many exceptions of individuals who have acquired power: Defense Minister Abu Ghazala in Egypt, Foreign Minister Alawi in Oman, former Saudi Petroleum Minister Yamani, and Foreign Minister Tariq Aziz in Iraq. It is doubtful, however, that they, in turn, delegate their hard-earned authority.

- True foreign policy positions in the Middle East are often at odds with stated policies and are kept secret if possible. [REDACTED] b1
[REDACTED] the Arab penchant for public condemnation yet private support of many US actions. [REDACTED] b1 b3

- Nearly every Arab ruler is leader for life, if he so chooses, thus eliminating the impact of domestic election cycles on foreign policy calculations. The automatically recurring Western problem of a learning period for new leaders is absent, as are electioneering-dominated windows for foreign policy initiatives. The current Arab leaders generally have had a long tenure in office and many years of foreign policy experience. No key Arab leader has died or been overthrown since Sadat was killed in 1981.

The Middle Eastern Mindset

Given the independence of action of Middle Eastern leaders, we might expect more frequent and dramatic policy moves than actually occur. Two tendencies play an important role in dampening the potentially mercurial nature of Arab foreign policies: the tendencies to be fatalistic and conspiratorial. These qualities reinforce prevailing political pressures to avoid risk.

Fatalism. The belief in predestination is an Arab quality that is strongly reinforced by Islamic dogma. A tenet of fundamentalist Wahhabi doctrine in Saudi Arabia, for example, states that "It is heresy to deny fate in all acts." Arabic conversation is peppered with phrases crediting God for any eventuality, past, present or future, good or bad. The fatalist element in policy deliberations can be the unstated premise that the regime is the victim of events more than the controller of events. Having a "can-do" attitude, taking the initiative, being innovative, or trying to force change can be viewed negatively in the Middle East as tempting fate and, in some cases, bordering on heresy. Sadat was much more popular in the West than in his own country partly because he embodied character traits viewed positively in the West but negatively in the Middle East. There is widespread reluctance, especially in the more traditional societies, to take actions that smack of efforts to bypass fate. Examples include the aversion to taking out insurance policies, spending much time on maintaining equipment, and, in the foreign policy realm, engaging in military contingency planning.

Conspiracy. Related to fatalism is the tendency to concoct and accept conspiracy theories, which most often credit the superpowers with a master plan into which all events neatly fit. One analyst suggests that this is a legacy of the British colonial period, when Great Britain exercised sweeping powers. It is not unusual to hear Libyans and Iranians state without any doubt that the United States put Qadhafi and Khomeini, respectively, into power to serve Washington's own ends. [REDACTED] b1 b3

[REDACTED] Political cartoons in the Arabic press often show an outside hand pulling the strings of Middle Eastern events (or an Israeli hand controlling the American hand controlling the Arab world).

~~Secret~~

~~Secret~~

These tendencies vary among Middle Eastern leaders according to education level and the extent of their exposure to the outside world. Most of the current Arab rulers had traditional educations. They, nonetheless, surround themselves with highly educated technocratic subordinates with whom foreign officials conduct most of their business. This can leave an impression among foreigners of greater Westernization than actually exists. Moreover, [REDACTED]

[REDACTED] officials in the region are adept at changing from a Western facade when dealing with Westerners to an Arab facade when dealing with Arabs.

Strategic Scope and Thinking

The range of foreign policy concerns of most Arab states is limited to the region and key outside patrons, mainly the superpowers. A survey of the administrative breakdown of foreign ministries in the region reveals this limited scope, as major portions of the world are completely neglected. Middle Eastern relations with the superpowers, although mutually beneficial, are more a function of the global reach of the superpowers than the reach of the countries of the Middle East. The exception that proves the rule is Libya's Qadhafi. [REDACTED]

[REDACTED] he presumes to have global interests, or at least pursues interests (in the Caribbean, Sub-Saharan Africa, Latin America) that are far out of proportion with any objective assessment of Libya's national power.

Especially applicable to the more domestically troubled Arab states is the notion that policy is formulated with a view to protecting domestic flanks. [REDACTED]

[REDACTED] whether, within their more limited sphere, Arab leaders are strategic thinkers. In the early 1960s, Egypt's Gamal Abd al-Nasir told an envoy of President Kennedy that the tendency in the West is to overanalyze the motivations of Arab

leaders. Nasir maintained most were not sophisticated strategic thinkers but had a reactive policymaking process. [REDACTED] King Hussein, President Mubarak, the late President Sadat, and President Hafiz al-Assad often appear to be sophisticated strategists. Also, the conspiracy thinking cited above [REDACTED] is a kind of strategic thinking with its grand and intricate schemes.

The Information Base and "Operative Misperceptions"

[REDACTED] Subjectivity is preferred over objectivity, and Arabic writing styles lend themselves to rhetorical excess.

Arab leaders receive little objective domestic feedback to confirm whether a policy course is working. The public discourse that provides important feedback in the West is almost universally squelched in the Arab world. A policy is successful because the public is told so. Also, many Middle Eastern leaders have a coterie of sycophantic advisers whose objectivity is questionable. As an Arab proverb says, "If the King says it is night at midday, behold the stars."

Inadequate information can often lead to gross misperceptions of foreign capabilities and intentions upon which leaders base major foreign policy initiatives. These operative misperceptions can be the source of major Middle Eastern fiascos. The Iran-Iraq war is an example. Saddam Husayn entered the war believing that the Khomeini government would collapse and that Iran's ethnic Arabs would quickly join his side. Neither occurred, and after six years he cannot extricate Iraq from the war. Poor intelligence or misperceptions are likely to become increasingly dangerous as weapons of mass destruction become more common in the area.

~~Secret~~

~~Secret~~

Implications

From these observations on a complex and varied process, a general conclusion can be drawn. Although numerous factors inhibit dramatic policy change, there is no veto on the absolute power of the ruler that would block such change. Thus, surprise policy reversals will remain a constant possibility, giving credence to the dictum characterizing the Middle East as the region with a high probability of the occurrence of a low-probability event.

~~_____~~ b3

~~Secret~~

~~Secret~~

Western Sahara: Possible Types of a Settlement

The summit meeting between Moroccan King Hassan and Algerian President Bendjedid on 4 May failed to bridge their differences over the Western Sahara conflict. Although the two countries probably will continue to have lower-level meetings, it is unlikely they will be able to resolve the conflict in the near term. They will probably concentrate on a military resolution of the dispute. Nevertheless, we believe only a political solution will bring lasting peace. The most likely settlement would be based on the concept of federation involving Hassan's sovereignty over the Western Sahara in return for a degree of Polisario autonomy.

Recent Summit Meeting a Bust

King Hassan and President Bendjedid met on their border under the auspices of Saudi Arabia's King Fahd ostensibly to discuss mutual problems, in particular the 11-year war in the Western Sahara pitting Morocco against Algerian-backed Polisario guerrillas. Fahd had been working to broker a meeting since his visit to both countries in March. The only agreement the two leaders reached in their 23-minute encounter was to hold further meetings on bilateral problems.

Prospects for a Diplomatic Settlement

We believe the recent summit meeting is a setback for a negotiated solution. Indeed, the chances for a settlement during the next several years are slim. Even though there have been occasional Moroccan-Polisario proximity talks and the views of Morocco and Algeria have converged in recent years—they accept the idea of UN mediation and a referendum of the native inhabitants of the Western Sahara—neither side is willing to compromise on the specific conditions necessary for a settlement.

Morocco. Rabat is prepared to pursue the war indefinitely. It controls about 90 percent of the territory and is planning to extend the berm again.

We believe Rabat's focus on berm construction reflects its pessimism about the chances of reaching a favorable political settlement in the near term.

King Hassan's apparent diplomatic strategy is to stall for time. Despite his refusal to compromise and his firm military commitment, we believe he realizes that a military victory is not achievable or will not resolve the dispute and that only a political solution can end the conflict. He believes, however, that his strong military position enables him to push for a settlement on his terms.

~~Secret~~

23 May 1982

Algeria. [REDACTED]

[REDACTED] In our view, Algiers is playing a waiting game, believing that Morocco cannot bear the economic burden of maintaining its 100,000 troops in Western Sahara indefinitely. [REDACTED]

President Bendjedid's position has evolved from support for the independence of Western Sahara to some sort of federation involving autonomy for the region under nominal Moroccan control. Behind his changing attitude are Algeria's economic problems due to falling oil revenues, as well as the rising costs of supporting the 17,000 to 35,000 Polisario refugees living in southwest Algeria. We believe Bendjedid realizes military options are limited unless he is willing to risk war with Morocco. [REDACTED]

Most of Algeria's key leaders want a political settlement, but they need a face-saving compromise. [REDACTED]

[REDACTED] The economic and military dependence of the Polisario on Algeria, however, gives it little leeway to challenge Algiers' wishes. [REDACTED]

A Compromise Solution

We believe neither side can force an end to the war, and only a negotiated political solution will bring lasting peace. Although the chances of a political solution are small, we see signs that both sides are slowly edging toward a negotiated settlement.

Algeria's President Bendjedid is the key to progress:

- King Hassan has less reason to deal because Morocco already controls most of the territory.
- Bendjedid faces the unpleasant choice of upping the ante militarily, of making distasteful diplomatic concessions to redress the situation, or of even throwing in his hand. [REDACTED]

We believe that Bendjedid will continue to play for time but will eventually choose to make diplomatic concessions. In 1985 he offered Hassan a federation

plan in his "postage stamp and flag" proposal that would give the King titular authority over Western Sahara in return for limited Polisario self-government. [REDACTED]

[REDACTED] In our view, progress on divisive bilateral problems could help resolve the Western Sahara dispute. For example, most of the 1,300-kilometer border separating Morocco and Algeria is not demarcated, and there have been periodic clashes along the frontier. In 1972, Rabat and Algiers agreed to delineate the border, and Morocco abandoned its claims to small portions of Algerian territory. Hassan, however, has yet to ratify the 1972 accord. Although the two regimes have not made a direct link between border problems and the Western Sahara conflict, a demarcation of the frontier could provide Algiers with a perceived victory that would help Bendjedid extract himself from the Western Sahara conflict. Algiers may even require Moroccan ratification of the accord, since any settlement of the Western Sahara problem would tend to favor Rabat. [REDACTED]

Another issue that could spur progress is repatriation of prisoners held by each side, some of whom were taken in the Western Sahara fighting. [REDACTED]

[REDACTED] Given the problems with the federation idea, a possible compromise would involve Moroccan trusteeship under UN auspices. Morocco would gain

~~Secret~~

sovereignty, but only after a specific period of time. This solution would represent an Algerian concession to recognize Moroccan sovereignty over Western Sahara, while Rabat would have to guarantee certain rights for the Polisario. These could include a regional parliament, a separate budget, and possibly the right to form their own police force. This could be modeled after a UN trusteeship, such as the US administration of Micronesia. The transition period might resemble Great Britain's agreement with China to turn over control of Hong Kong by the end of the century. Morocco would achieve its objectives, and Algeria would have a solution to the problem without conceding defeat. The Polisario would be allowed to exercise limited self-government within the Moroccan polity but would have no representation abroad. Even though the Polisario leadership would not be pleased with this arrangement, they would have no choice but to follow Algeria's lead. b3

Moroccan Incorporation of Western Sahara

If King Hassan continues to rely principally on military force to absorb Western Sahara, he will continue to face harassment from Polisario guerrillas based in Algeria. We believe the current level of harassment is not a serious military challenge to Morocco and will not bring Rabat to the negotiating table. b3

We believe Bendjedid's frustration over the stalemate and the nearly complete enclosure of the region by berms could eventually impel the Algerians to raise the military stakes. Algiers, for example, could allow the insurgents to engage in terrorism inside Morocco. Algeria might also decide to become directly involved in the fighting. In either case, Algiers would hope to force Hassan to the bargaining table without provoking an unwanted war between the two countries. We believe such actions would generate dangerous tension with little hope of forcing an end to the fighting or achieving a political settlement. b3

Territorial Partition

Although it is probably too late for this option, Morocco and Algeria could decide to partition Western Sahara. We do not believe the earlier territorial proposals, such as the French plan of 1978 which called for Mauritanian control of the southern

portion of Western Sahara, Moroccan control of the northern portion, and Algerian acquisition of parts of northern Mauritania, would be acceptable to all parties. Any future partition would need to be heavily weighted in favor of Morocco, since Rabat already holds about 90 percent of Western Sahara. Rabat would retain the most useful areas of Western Sahara, while Algiers would gain territory in that part of Western Sahara outside the berm. This plan could also lead Morocco and Algeria to compel Mauritania to yield a small amount of its northern frontier area to round out Algeria's boundaries. Algiers's acquisition of this terrain would ease its concerns about Moroccan encirclement. Bendjedid would have to compel the Polisario to accept resettlement either in Algeria or in the areas ceded by Morocco or Mauritania. b3

An Independent Western Sahara

The least likely outcome of the conflict would be a new state governed by the Polisario. Not only is such a prospect implausible, given the military situation in Western Sahara, it is unacceptable to King Hassan, who has staked his prestige on the issue. We believe that Hassan would not even countenance a Polisario state whose independence was heavily circumscribed by Rabat's having a veto over its domestic and foreign policies. An independent state would not be viable economically, given its small population and lack of resources. It would be highly dependent on foreign support and vulnerable to subversion, and, in our judgment, Morocco and Algeria would eventually resume the contest for control of the territory. b3 b3

~~Secret~~

~~Secret~~

Tunisia: Implications of Rioting in Tunis

b1
b3

The violence in late April was the most serious breakdown in public order since the bread strikes in early 1984. Demonstrations by Islamic fundamentalists against government repression generated harsh reprisals by the police. The crackdown on fundamentalism by the Bourguiba regime is part of a broader effort to eliminate all independent political activity.

Suppression of outlets for political dissent in a society that has permitted a good deal of diversity risks additional violence and could unite disparate opposition groups. The Tunisian Government almost certainly will face another round of violent disturbances if trials scheduled for June hand down death sentences to fundamentalist leaders. Bourguiba's actions pose serious dilemmas for Washington. Attempts by the United States to restrain Tunis's repressive actions will be construed as support for the opposition and anger Bourguiba. US acquiescence in the face of widespread violence on the other hand would identify Washington with a repressive regime.

Students Take to the Streets

The rioting in Tunisia on 23 April, involving about 1,500 Islamic fundamentalists, was well organized and spearheaded by Islamic fundamentalist students carrying pictures of Rachid Ghannouchi, the arrested leader of the Islamic Tendency Movement (MTI). The US Embassy in Tunis reports that the demonstrations spread to include other youths and even some older Tunisians. One policeman and one student may have been killed. Some police cars were burned, telephone wires cut, and several policemen and foreigners attacked. The government responded with tear gas, and armored personnel carriers and helicopters were used.

The Crackdown on the Opposition

The Fundamentalists. The violence was a reaction to the government's persecution of the Islamic fundamentalist movement.

b1
b3

The government is especially concerned about the disruptive activities of Islamic-oriented university students. Fundamentalist students, who are generally sympathetic with the MTI but not necessarily controlled by it, dominate youth politics. They have been responsible for a series of student boycotts of classes and violent clashes with leftists that have led to the closure of some campuses.

As part of its campaign against the fundamentalists, the government broke relations with Iran in late March, citing cooperation between Tehran and the MTI.

b1
b3

In our view, the Tunisian Government is looking for a scapegoat to justify its repression of the Islamic dissidents. Iran has some contacts with Tunisian fundamentalists, primarily in Europe, and provides propaganda support for the MTI, but the fundamentalist movement in Tunisia is autonomous and indigenous.

Opposition Parties. The government also has become more intolerant of the legal political opposition. Before the riots the police temporarily detained Ahmed Mestiri, leader of the main opposition party, the Social Democratic Movement, and officials of two other minor parties. We believe this is attributable to a proclamation by these groups condemning government repression of the fundamentalists.

Other Political Groups. In recent months the government has increased its censorship of the press, arrested labor activists, threatened human rights

~~Secret~~

23 May 1987

~~Secret~~

leaders, and closed the newspaper of the Social Democratic Movement. More recently it seized and suspended the sale of some foreign newspapers.

that the government is inclined to use torture to quash dissent.

b1
b3

In our view, Tunisia will become increasingly unstable as the outlets for opposing views are closed and dissent is not tolerated.

The government has formed a new human rights association that will take the place of the LTDH and support regime policies.

Bourguiba's Motives

The ailing 84-year-old President fears losing control of the country and seeing it undergo a fundamentalist upheaval similar to the one that brought down the Shah of Iran.

the MTI has grown in popularity in recent years and probably is the largest opposition group.

We believe the fundamentalists will be more inclined to use violence in the future. Following the disturbance on 23 April, the MTI issued a communique reaffirming its opposition to terrorism but warned that government repression might force it to respond in kind. Even if the MTI leaders continue their nonbelligerent stance, they may not be able to control the more radical rank and file. We believe the prospects for further violence hinge on how the government treats the arrested MTI leaders at trials expected in June. If a death sentence is handed down for MTI head Ghannouchi, we would expect another serious eruption of violence that could result in the government's use of troops to restore order.

Bourguiba probably believed the MTI would disappear when he first arrested its leaders in 1981 after they petitioned to become a legal party.

In addition, we believe that Bourguiba is alienating the opposition parties, labor leaders, and the human rights movement at the same time it is crushing the fundamentalists. The consequences for the regime could be catastrophic if these disparate groups unite. Indeed, such a development would threaten the stability of the regime.

The President's harsh stance toward legal opposition groups and leaders—many of whom were former political allies—is largely due to his increasing truculence toward any opposition. Bourguiba has not been overly concerned about the legal political parties because of their limited popular standing. He may have come to believe, however, that their tendency in the past few years to speak with one voice, particularly in the face of the government's restriction on political freedoms, presents the regime with another challenge.

Implications for the United States

As long as Bourguiba continues in office, we believe that Tunisia will retain its pro-US policies and will look to Washington for economic and military aid. Close Tunisian-US relations, however, are tied to Bourguiba. To date, criticism of the United States in Tunisia has been limited, despite a popular view that the United States did not do enough to prevent the Israeli airstrike against the PLO headquarters in Tunis in October 1985. We believe, however, that

Domestic Outlook

The government's repressive attitude indicates that it is abandoning "Bourguibism"—the President's traditional policy of a relatively open and benign autocracy that permitted opposition parties and considerable free speech. There are even indications

~~Secret~~

~~Secret~~

close US ties to a repressive Tunisian regime eventually will increase the prospects for anti-US protests.

Bourguiba's actions pose a serious dilemma for the United States. On the one hand, any attempt by Washington that looked to Tunis like lecturing on human rights would anger Bourguiba. He would see it as a signal of US support for the opposition. On the other hand, US silence runs the risk that many Tunisians will identify Washington with the increasingly repressive and disliked regime. Such criticism could strike a responsive chord among the increasing numbers of disadvantaged Tunisians.

~~_____~~ b3

~~Secret~~

~~Secret~~

Jordan: One Year After the Yarmuk Riots **b3**

King Hussein has introduced several reform measures to ameliorate student frustrations while simultaneously increasing surveillance of political and religious activists on campuses since last year's student riots. Campus unrest last May at Yarmuk University—Jordan's second largest university located north of Amman—resulted in the deaths of three students during confrontations with Jordanian security. Despite reform measures and security precautions, the student discontent that sparked the violence persists, and antiregime groups maintain their potential to exploit student concerns **b3**

The government attributed the demonstrations to discontent with academic policies. But the outbreak also demonstrated student frustration with King Hussein's centralized governing style, poor employment opportunities, and subversive efforts by a minority of radical activists. **b3**

Student discontent at Yarmuk last year festered over increased tuition fees and demands for greater involvement in university decisionmaking. According to a university official, initial protests began in early March when about 300 engineering students protested fee increases assessed for the summer session. Many Yarmuk students come from low-income, predominantly Palestinian families who cannot afford tuition hikes. The protests grew violent when Islamic fundamentalists, leftists, and Palestinian agitators generated antiregime demonstrations and government security forces overreacted in putting down the demonstrators. **b3**

b1
b3
b3
Palestinian Radicals and Islamic Fundamentalists
The majority of Jordan's approximately 20,000 university students are not involved actively in political or religious issues, but a radical minority continues to draw support by exploiting student grievances **b3**

after students at the University of Jordan in Amman challenged the university administration and called a major strike. The unions were replaced by elected "student committees" organized for each faculty. They are strictly social societies that are carefully monitored and prohibited from engaging in political activities. The resulting leadership vacuum on campus has been filled over the past five years by fundamentalist students, who now control virtually every student committee at the Universities of Jordan and Yarmuk **b3**

Some Palestinian student radicals and leftists also have exploited political frustrations. Demonstrations that took place last spring at Yarmuk had political overtones, with many in the crowd denouncing the government and the King's speech in February 1986 that announced an end to his dialogue with PLO Chairman Arafat **b3**

b3

b1
b3

b3
In 1978 student unions were abolished

~~Secret~~

May 1987

~~Secret~~

b1
b3

[REDACTED]

[REDACTED]

b1
b3

b(1) b(3)

[REDACTED]

[REDACTED]

b(1) b(3)

[REDACTED]

[REDACTED]

b1
b3

b3

Frustrations Grow Over Poor Employment Prospects

[REDACTED]

[REDACTED]

b1
b3

b(1) b(3)

[REDACTED]

In addition to growing concerns over unemployment, graduating seniors—like much of the general population—are frustrated by the weak economy. The average Jordanian is experiencing economic difficulties as cost-of-living salary increases fail to keep up with the rise in the cost of living. Moreover, worker remittances to Jordan have declined, and competition for existing jobs, particularly for engineering and medical positions, has become

b(1) b(3)
b3

~~Secret~~

tougher as Jordanian expatriates return from the Gulf. At a time when the job market for university graduates is contracting, Jordanian students are earning engineering and medical degrees in record numbers. This dilemma has generated a pervasive sense of gloom and cynicism among students. [REDACTED] b3

Outlook

We believe the government has effectively contained subversive political activity on Jordan's campuses despite economic stagnation and continuing efforts by small numbers of Islamic fundamentalists, radical Palestinians, and leftists to exploit the situation. Discontent with the government may be widespread, but most students appear preoccupied with academic and personal, not political, pursuits. [REDACTED] b3

Nonetheless, extremists have proven able to generate explosive confrontations at Yarmuk University and have the potential to do so again, particularly as Jordan's economic conditions worsen. [REDACTED] b1, b3

[REDACTED] the student body at Yarmuk is 80 percent Palestinian, and many recognize they will be unable to find jobs after graduation. Given such bleak economic prospects, many students may eventually believe they have nothing to lose by protesting, although they do not yet pose a serious threat to the stability of the regime. [REDACTED] b3

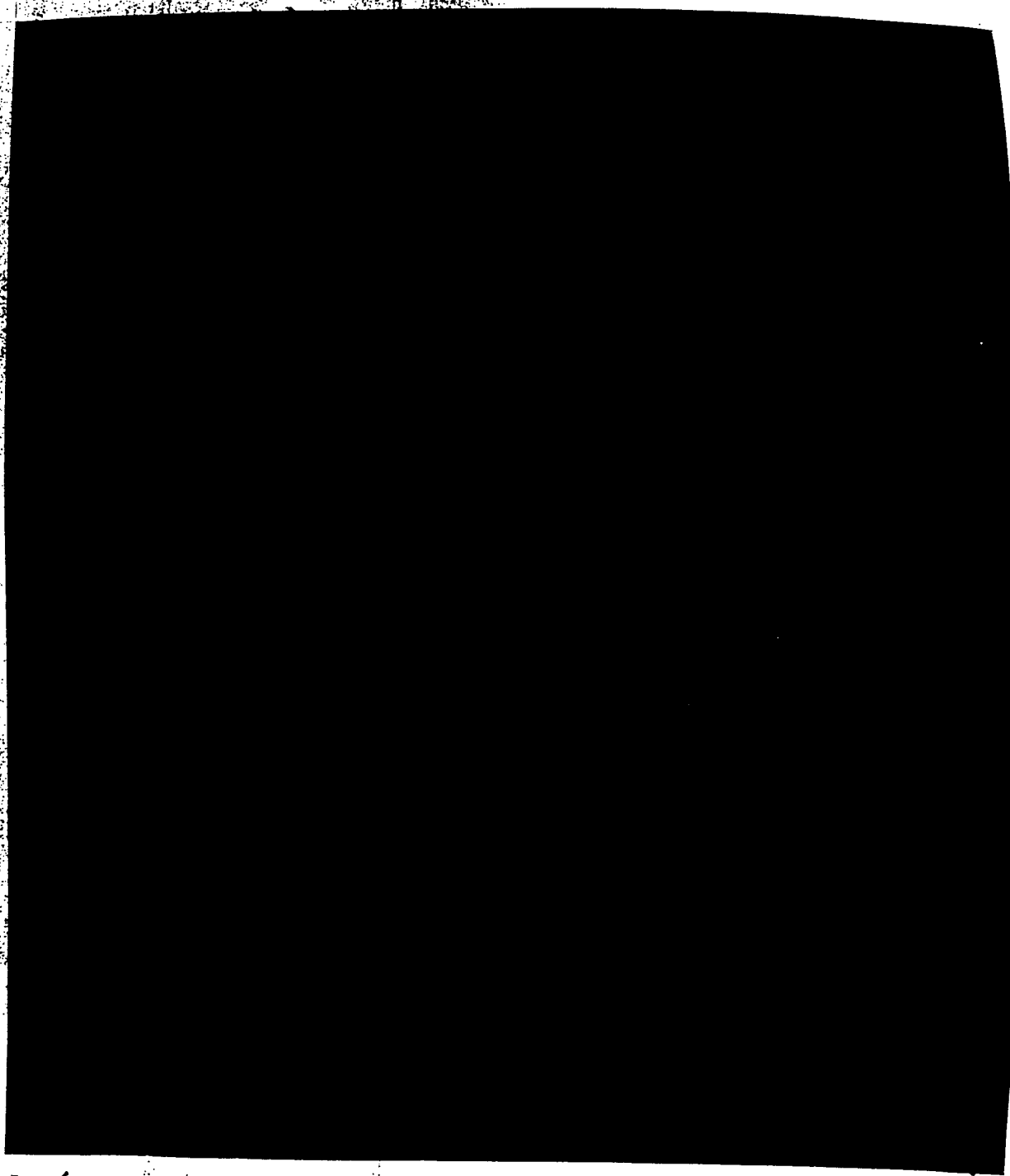
King Hussein's success in preventing the spread of student unrest will hinge on his ability to deal with demands for greater political participation at the grassroots and to find solutions to Jordan's unemployment problems. If either effort fails, King Hussein eventually may face an increasingly restive, potentially radical group of unemployed or underemployed professionals. [REDACTED] b3

b3

b3

~~Secret~~

b1
b3



~~Secret~~

Secret

Israel: Muddling Through in South Lebanon

B1 [redacted] concerned over the long-term threat presented by the steady, continuing reinfiltration of PLO fighters into southern Lebanon and the bolder tactics displayed by Hizballah there. B1 [redacted] likewise worried by cooperation between some Amal elements and the more radical Hizballah.

B1 Nevertheless, [redacted] no alternative to continuing reliance on their present South Lebanon security policy because [redacted] the least evil of several unpalatable options. Israel's policy is based on:

- Maintenance of a self-defined security strip manned by Gen. Antoine Lahad's Army of South Lebanon (ASL).
- A limited number of Israeli troops operating in the zone with occasional operations by larger ground forces when necessary.
- Selected use of airstrikes and long-range artillery bombardment.

b (1) b (3) [redacted] overwhelming majority of the public [redacted] are opposed to large-scale ground involvement in Lebanon. The bitter memories of Israel's painful presence in Lebanon from 1982 through 1985 are still strong, and

b (1) b (3) [redacted] B1 [redacted]

One of the few public advocates of deeper Israeli involvement is Knesset Member Rafael Eitan, Chief of Staff during Israel's invasion of Lebanon in 1982 and a principal planner of the war. Eitan, a leader of the hardline Tehiya Party, has publicly recommended extending Israel's security zone to the Litani River. Conversely, some of Israel's small, leftist parties demand complete Israeli withdrawal from Lebanon.

Opinions within the Israeli military probably are more varied. [redacted] suggests that the opposition of Vice Premier Peres and Defense Minister Rabin to greater involvement in Lebanon assures that the military will remain subservient to civilian political direction.

Disrupting the PLO's Return

Israel attaches extremely high importance to preventing the PLO from reestablishing the kind of conventional military force that existed in South Lebanon before the 1982 invasion.

[redacted] b (1) b (3)

Israel has taken especially active measures to head off seaborne reinfiltration of PLO fighters into Lebanon.

[redacted] no more than a few hundred PLO personnel have been brought into Lebanon by boat in the past year. [redacted] b (3)

[redacted] Fatah has a pool of thousands of potential recruits among the young, male refugees in camps around Sidon, Tyre, and Beirut. [redacted] interdiction effort focuses on intercepting Fatah officers in hopes of stopping them from recruiting and organizing among this large group.

Secret

22 May 1987

b (3)



b1,
b3

b1,
b3

We believe that Israeli defense officials would like to strike Hizballah bases in the northern Bekaa to disrupt the group's operations. The Israeli Government, however, is concerned over the impact such raids might have on Western hostages held by Islamic extremists. In public comments, Defense Minister Rabin and Levi have both noted that this constraint has prevented Israeli attacks on Hizballah bases in the northern Bekaa, particularly the Shaykh Abdallah barracks in Ba'labakk.

**Amal, ASL, and UNIFIL:
For What They Are Worth**

Amal, the ASL, and UNIFIL as significant adjuncts to security zone policy, but they are not willing to depend on any one or a combination of them as the primary means to defend Israel's northern border.

b1, b3

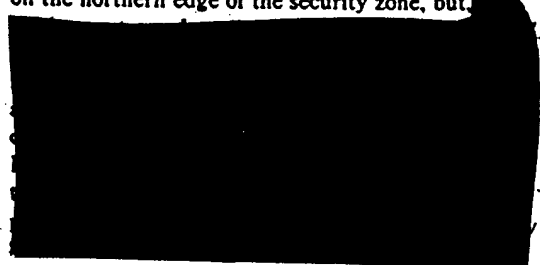
Holding Back Hizballah

Hizballah's bold attacks in South Lebanon this year—including its first raid on a joint ASL/Israeli position in April—are a second major concern for Israeli policymakers. Israeli defense planners are pleased by the ASL's improved showing against Hizballah in raids since February. Hizballah fared badly in the April attack, suffering 25 casualties. The group nevertheless appears determined to continue its attacks in the security zone.

Hizballah will be a more serious problem in the longer term. Israeli leaders have become increasingly concerned about the growth of Islamic extremism in Lebanon generally and the possibility of greater cooperation with Hizballah of both the PLO and some elements of the more moderate Shia Amal.

The IDF has had difficulty preempting Hizballah attacks in South Lebanon because Hizballah does not maintain fixed positions there and because it—like the PLO—tends to blend in with the civilian population. Former Chief of Staff Levi noted in April that Hizballah had not established any identifiable camps or headquarters that could be accurately targeted by Israeli air or ground forces. Levi noted that Hizballah's ability to blend in with the civilian community and, when necessary, to return to their base camps in the northern Bekaa Valley, has given them considerable freedom to strike and then withdraw to fight another day.

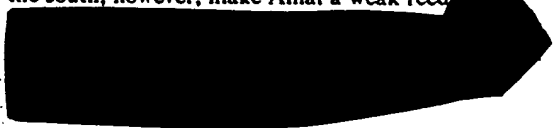
ASL. Israel will continue to strengthen ASL positions on the northern edge of the security zone, but,



b1, b3

Amal. Amal, ~~is determined~~, is determined to minimize the presence of PLO fighters in South Lebanon. Amal's showing in recent battles with the PLO during the camps war and its increasing fragmentation in the south, however, make Amal a weak reed.

b1



b (1) b (3)

~~Amal's~~ lingering hope that Amal can function as a tacit ally in helping to control the Palestinians and Hizballah, according to General Levi. Ironically, Israel's attacks against the PLO in

b1

~~Secret~~

the south have taken pressure off Amal, allowing it to attack both Israeli troops in the south and the ASL. For the time being, Israel will probably refrain from retaliating against Amal, especially while that organization holds an Israeli airman captured during fighting last October. If Amal elements continue to cooperate with Hizballah, Israel eventually is likely to deemphasize Amal's role as a tacit ally in its security plans and target hostile Amal units.

UNIFIL. [REDACTED] have long debated whether UNIFIL contributes marginally to Israel's security, detracts from it, or has little effect. Most firmly believe that UNIFIL at best helps as another security buffer that prevents only a minimum number of guerrilla attacks. It is highly unlikely that Israel would allow UNIFIL a greatly increased role in shoring up security in southern Lebanon or deploying to Israel's northern border.

B1

b (1) b (3)

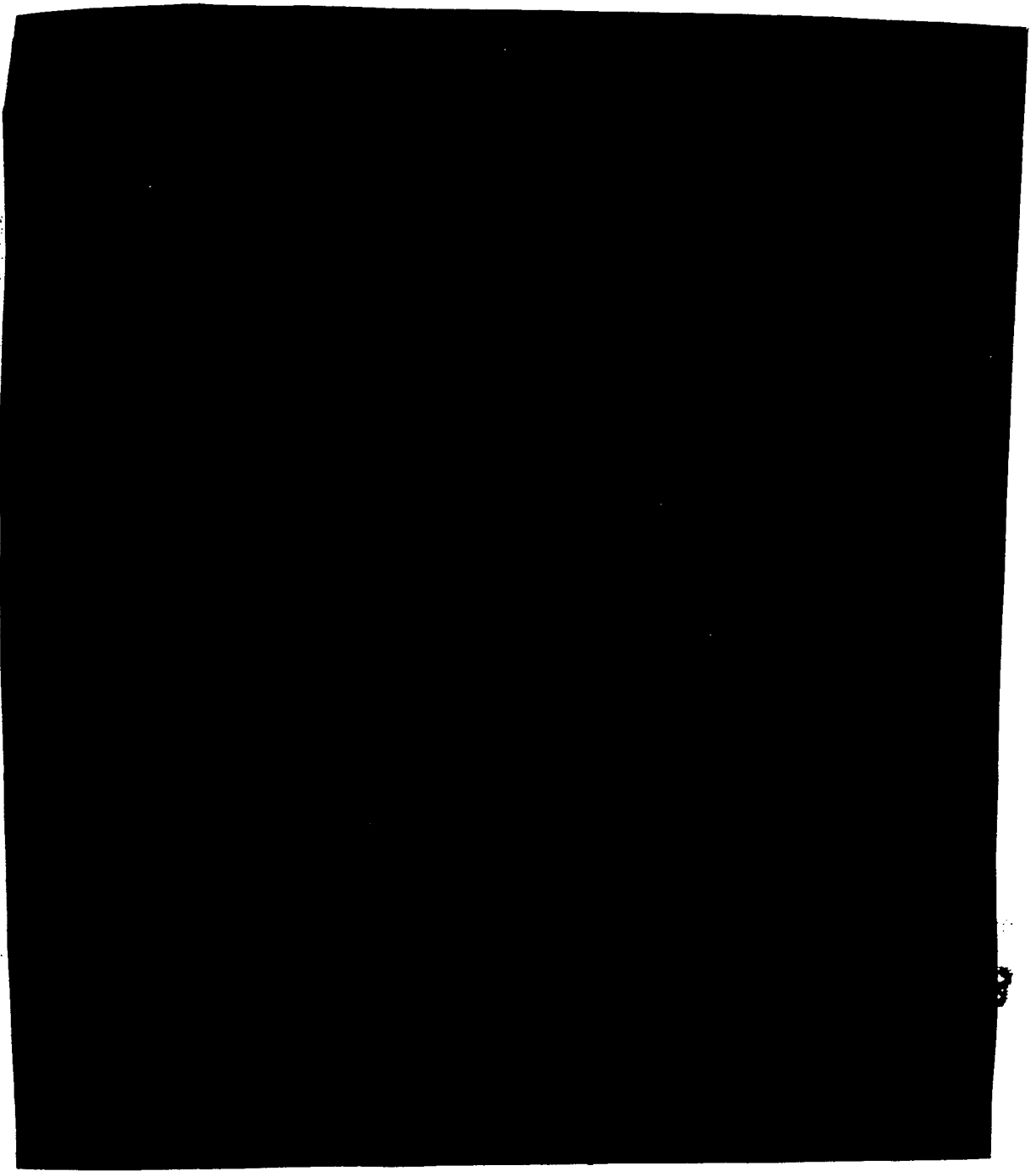
b (1) b (3)

b (1) b (3)

b (3)

~~Secret~~

b1
b3

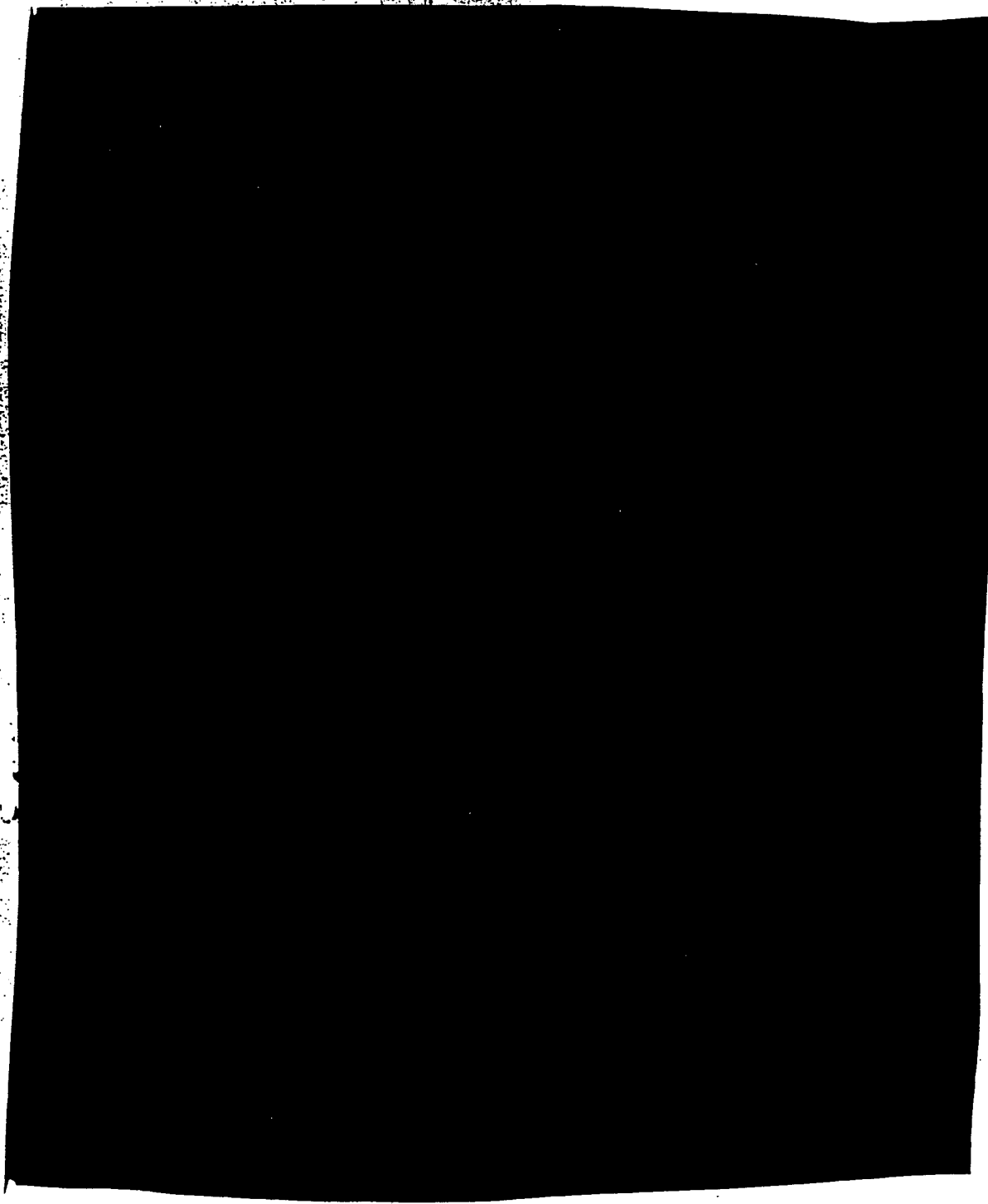


~~Secret~~

22 May 1987

b3

~~Secret~~

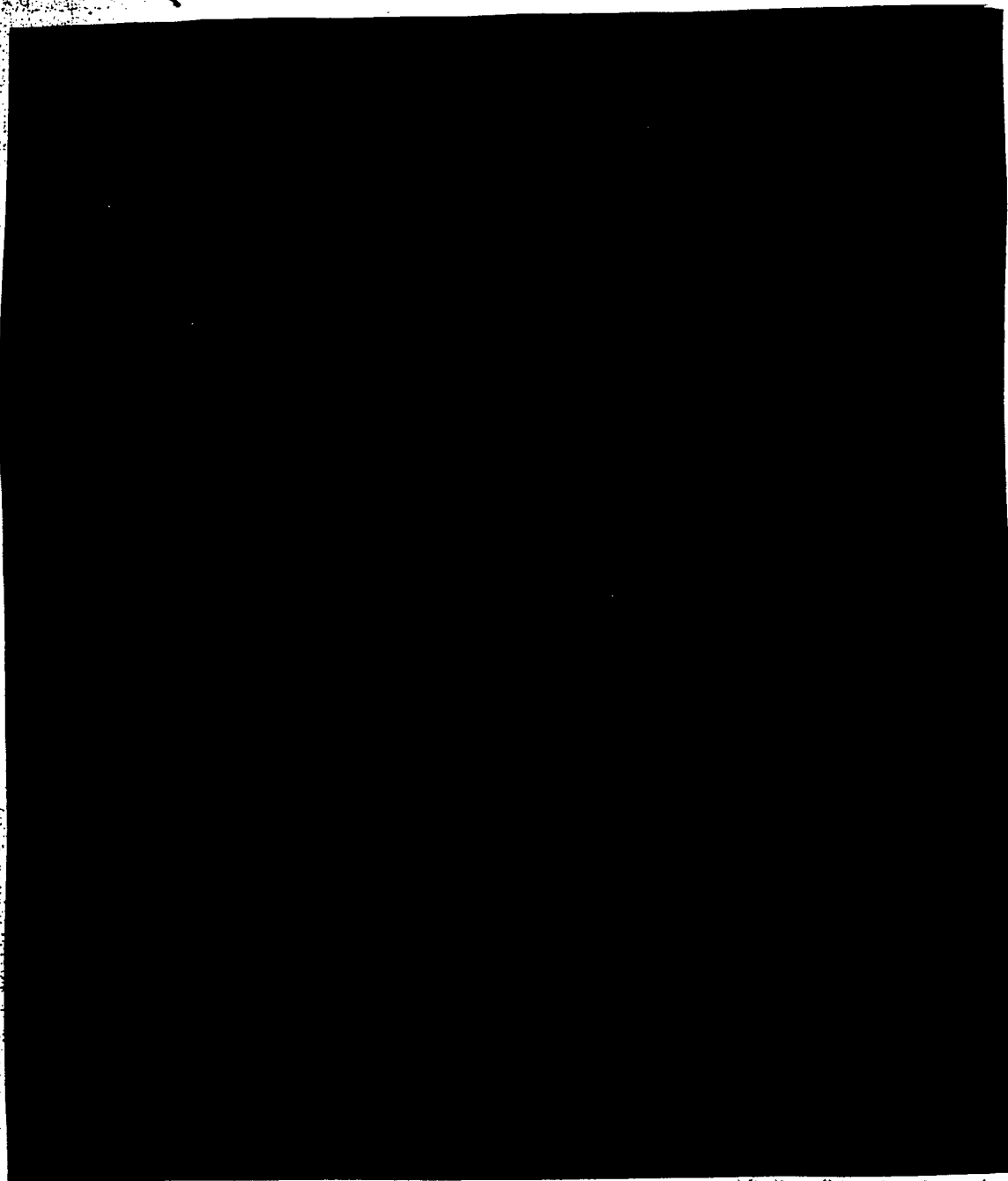


b1
b3

~~Secret~~

~~Secret~~

b1
b3

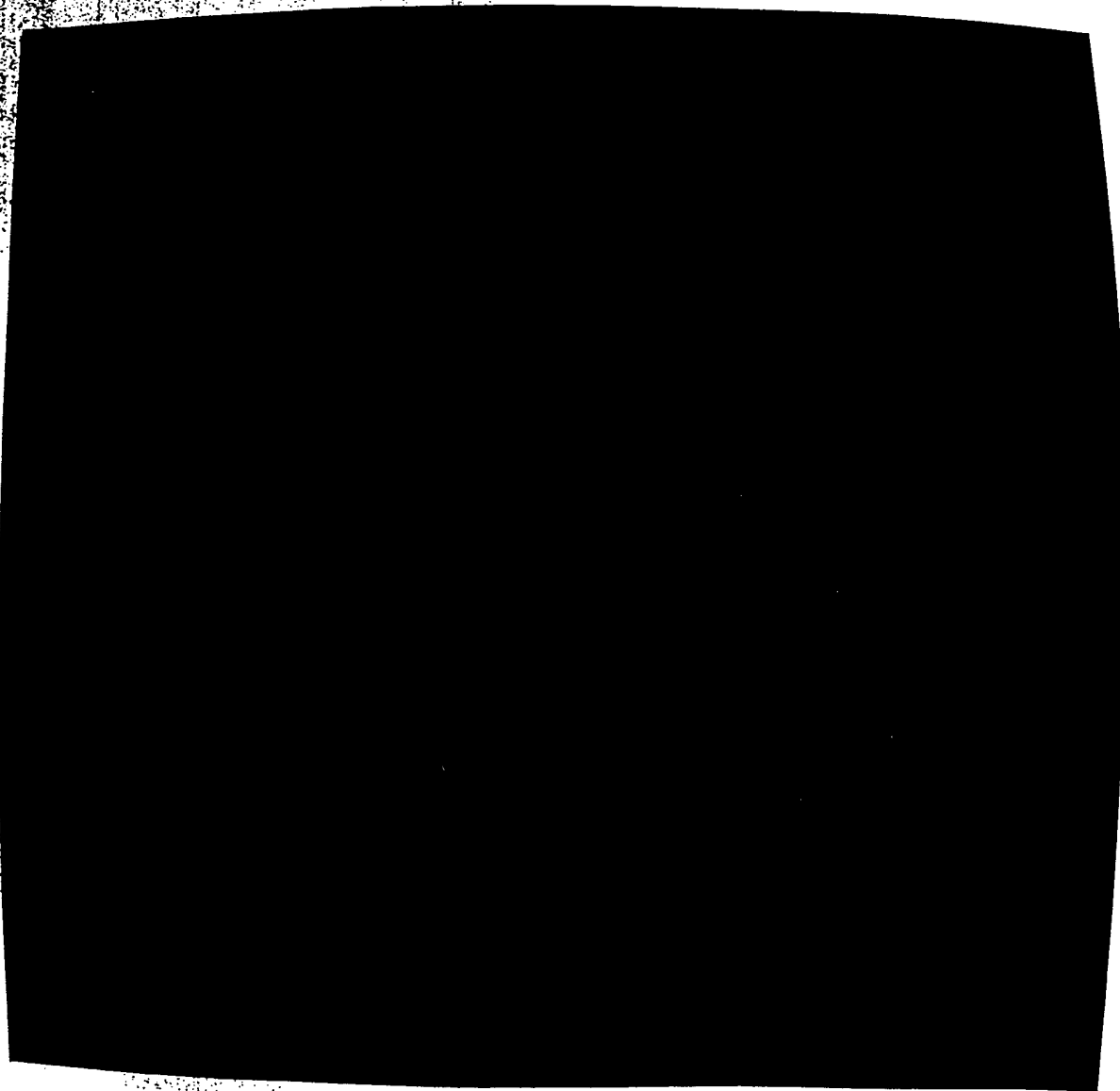


b3

~~Secret~~

~~Secret~~

b1
b3



~~Secret~~

Secret

Iraq: The Kurdish Problem

Kurdish insurgencies have periodically threatened the stability of Iraq for decades. The Iranian revolution and the Iran-Iraq war have allowed Kurdish militants in Iraq to revive their rebellion, resulting in a significant increase in military and political cooperation between various Kurdish factions. More recently, a sharp upsurge in Iran's encouragement and support for the Kurds in Iraq's northern provinces has led to fierce fighting in that area.

Political Strategies and Trends

The Kurdish rebellion in Iraq is mainly the product of two political groupings—the Kurdish Democratic Party (KDP) and the Patriotic Union of Kurdistan (PUK). Other groups, including the Communist Party of Iraq, play minor roles. The KDP—led by Mas'ud Barzani and, until his death earlier this year, his brother Idris—is composed of about 5,000 fighters of largely rural and tribal origins. Under the leadership of Mas'ud's late father, the KDP fought for Kurdish autonomy in the 1960s and 1970s. The second largest group—the 4,000 rebels of the PUK led by Jalal Talabani—is Marxist and has since its creation in the mid-1960s appealed more to Kurdish intellectuals and city dwellers.

The Kurdish struggle has waxed and waned for decades, dependent in large part on foreign assistance and weaknesses of the regime in Baghdad. After being crushed by the Iraqi armed forces in 1975, the insurgency was revived in the early 1980s when the reassignment of Iraqi troops to the Iranian war front weakened Baghdad's control of the north. Kurdish rebels hope to exploit Iraq's struggles with Iran to extract major political and economic concessions from Baghdad that include increased autonomy and the possible separation of the Kurdish homeland from the rest of Iraq.

Deep splits among the Kurdish rebel groups limit their ability to work together. The two main groups have fought each other repeatedly for two decades over ideological, tribal, leadership, and strategic

issues. From early 1983 until late 1984 the PUK even joined with Baghdad against the KDP. This alliance collapsed over Baghdad's failure to meet Talabani's demands for greater Kurdish autonomy, PUK dominance over the entire Kurdish region, and a share of government revenues from the Karkuk oilfields located in the Kurdish area.

After years of feuding, the various Kurdish groups are cooperating, and this poses an increased threat to the government. The PUK resumed attacks against the government in 1985 and entered into an uneasy ceasefire with the KDP.

The government has adopted a "carrot-and-stick" approach to the Kurdish problem, relying mainly on the stick. Baghdad has set up a popularly elected Kurdish assembly with limited authority over Kurdish areas and has provided substantial funds for economic development. The regime, however, refuses to provide greater powers. It has bought off many Kurdish tribes by paying tribal chiefs to man Kurdish irregular units or "fursan." The regime also seems to recognize that the demands of the war with Iran limit its ability to commit sufficient forces to crush the Kurdish insurgency. Baghdad's priorities are to keep open the vital oil pipeline and road link to Turkey and to maintain a government presence in major northern cities. At least for now, it is willing to cede to the Kurds control of much of the countryside and even the major roads by night.

Military Strategies and Trends

Unable to agree on political objectives, Iraq's Kurdish insurgents have focused on a military strategy aimed at eliminating the government's control over Kurdish territory. Rebel operations generally have been limited to small-scale raids of greater symbolic

Secret

May 1987

~~Secret~~

Order of Battle

Insurgent forces:

- Kurdish rebels 9,000 to 10,000 personnel
- Iranian irregulars 8,000 to 10,000 personnel (inside the Kurdish area in Iraq)

Government forces in the Kurdish area:

- 150,000 personnel
 - 80 to 90 armored vehicles
 - 600 artillery pieces
- ~~_____~~ b3

importance than strategic value. Government centers; military patrols, outposts, and convoys; and economic facilities have been the insurgents' primary targets. The Kurds have received support from Iran, Syria, and—to a lesser extent—Libya. b3

Insurgent operations recently have intensified, reflecting increased levels of Iranian support. During the past two years the Kurds have received greater quantities of supplies and more sophisticated weapons—such as SA-7 surface-to-air missiles—from Iran. Within the past three months there has been a sharp upsurge in combined Iranian-Kurdish operations against Iraqi military and economic targets. Iran, which has its own restive Kurdish community, is wary of its Kurdish allies but hopes that, by exploiting the unstable situation in northern Iraq, it will compel Baghdad to draw forces away from the southern war front, weakening Iraqi defenses around strategic targets there. b3

Iraq's military strategy encompasses a variety of tactics, including the razing and resettling of Kurdish villages and the use of chemical agents. Fearful that the insurgency will gain momentum with increased Iranian support, the government has intensified its efforts to eliminate Iranian irregular and Kurdish guerrilla strongholds in northern Iraq. Within the past few weeks, for example, Baghdad has cordoned off a wide area around the oil center of Karkuk and another around Dahuk, a Kurdish city on the Turkish

border, and is moving villagers into resettlement camps. Resisting villages have been sprayed with unidentified chemicals, resulting in a number of civilian casualties. b3

~~_____~~ b1, b3

Outlook

We expect a further escalation of fighting in the Kurdish areas. Baghdad is determined to maintain control over the Kurdish regions, but it must deal simultaneously with more intense Iranian attacks and with a spreading insurgency in the north. The regime probably hopes a brief, aggressive campaign will contain the Kurds until the Iranian attacks are defeated. b3

Iran will probably continue to provide crucial military aid to Iraq's Kurdish rebels and may expand joint operations with insurgent forces. This would more than offset any loss of support from Syria, which has made tentative overtures toward better relations with Iraq. b3

The regime's latest efforts to suppress Kurdish dissidence are likely to add to Kurdish hostility and spur guerrilla violence. The insurgents will also be encouraged by Iranian military successes in the north and are likely to increase their attacks on Iraqi military communication and supply lines. b3

Increased violence in northern Iraq is likely to affect Turkey, where Kurdish violence has also erupted periodically. Ankara is increasingly concerned that the Kurdish rebellion in Iraq will spill over the

~~Secret~~

~~Secret~~

borders and incite its own large and potentially rebellious Kurdish population. Turkish forces—with Baghdad's approval—have conducted limited cross-border raids and airstrikes against Kurdish rebels in Iraq and probably will continue to do so. ~~_____~~ b3

Although Baghdad probably will be able to contain the insurgency, a major defeat in the war with Iran could change this assessment. A significant Iranian breakthrough would further strain Iraq's military forces and could shift the balance of power in favor of the Kurdish insurgents in the northern provinces. Such a development would help the Kurds expand their control of the region and make it far more difficult for Baghdad to reverse their gains. (C NF)

~~_____~~ b3

~~Secret~~

~~Secret~~

b1
b3

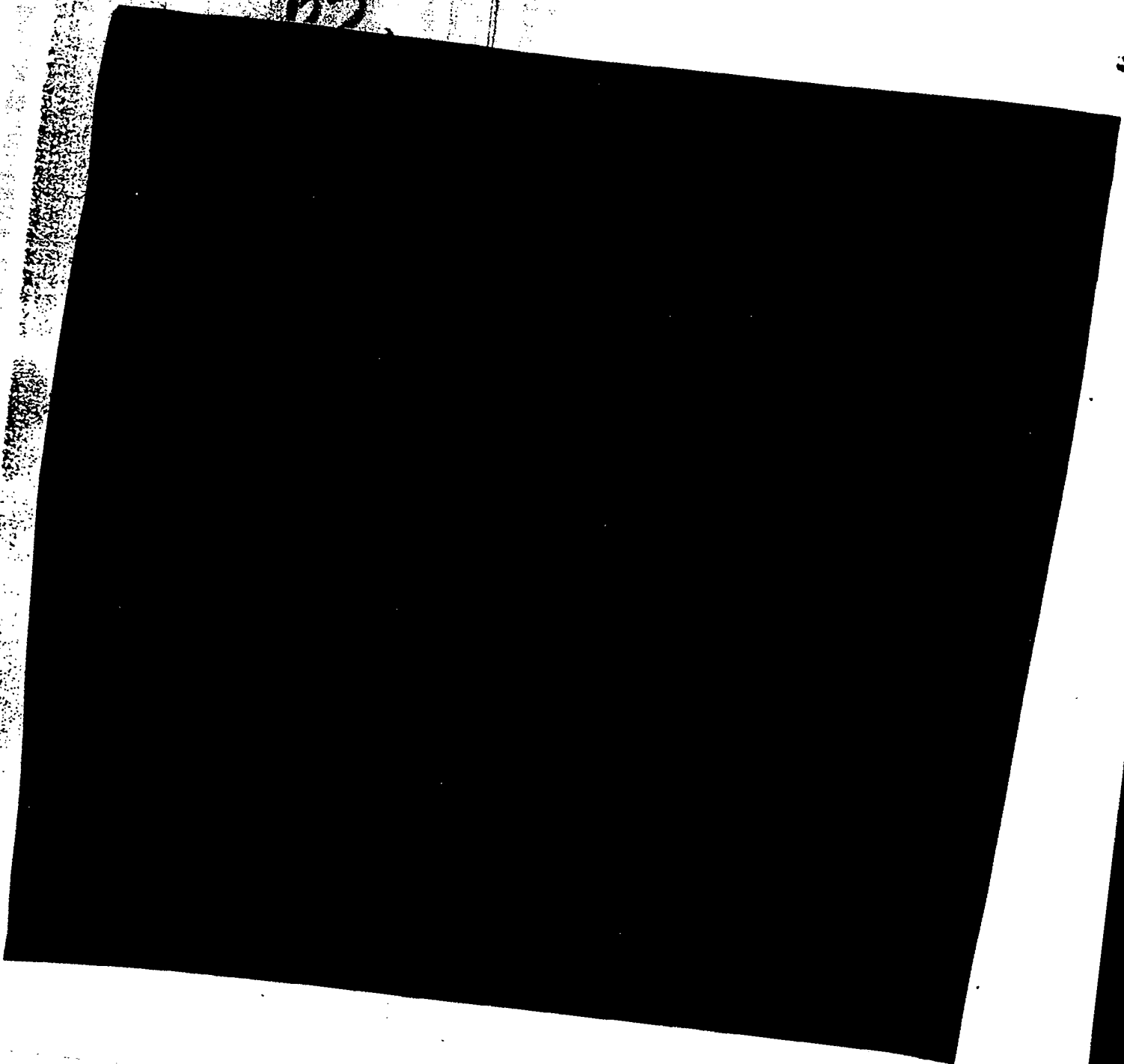
b1
b3

b1
b3

~~Secret~~

May 1987

b1
b3



~~Secret~~

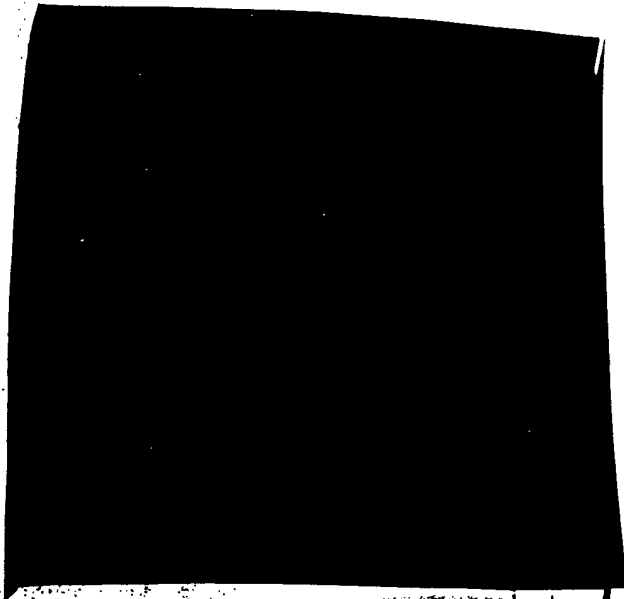
~~Secret~~

b1
b3

b1
b3

~~Secret~~

~~Secret~~



b1
b3



b3

~~Secret~~

Secret

Qatar: Economic Slowdown Takes a Toll

Qatar's oil-dependent economy has limited prospects for growth until demand for OPEC oil picks up in the early 1990s. More ominous is the associated slowdown in government spending on key development projects. Further delays in the North Field gas project, for example, could jeopardize expansion of the domestic petrochemical industry and Doha's ability to offset reductions in hydrocarbon revenues as crude oil reserves decline. Projected oil revenues and still substantial foreign investments, however, should allow the regime to forestall serious deterioration in most aspects of Qatar's extensive social welfare system over the next several years. The Amir's autocratic style will probably be the focus of greater attention as the economic decline continues and as better educated youth attempt to gain a say in Qatar's economic and social development. Nevertheless, a loyal security service and the great wealth of most Qataris will probably preclude serious domestic challenges to the regime in the near term.

Dealing With Decline

The slowdown that hit Qatar's oil-dependent economy in 1982 is continuing. We estimate that real GDP has fallen by over 40 percent since the recession started. Per capita GDP has tumbled from over \$28,000 to about \$16,500—including the expatriate population. Nevertheless, petroleum continues to account for 46 percent of GDP, 86 percent of export receipts, and about 90 percent of government revenues. The sharp contraction of the economy has had the positive effect of eliminating the modest level of inflation.

Pricing problems helped hold Qatar's oil production to about half of its OPEC quota of 285,000 b/d last month. The government has steadfastly held to official sales prices—about \$17.70 per barrel—for its crude in the face of lower spot market prices.

Unlike most other Gulf oil producers, the Qatar General Petroleum Company does not have a foreign equity partner with a stable outlet for and interest in marketing Qatar's high-quality crude oil. Moreover,

Qatar's small domestic oil-refining capacity limits its ability to circumvent OPEC pricing strictures by marketing petroleum products. Doha's three main oil customers—Marubeni Corp. and Mitsubishi of Japan and a US firm—have not lifted contracted volumes in favor of cheaper spot oil.

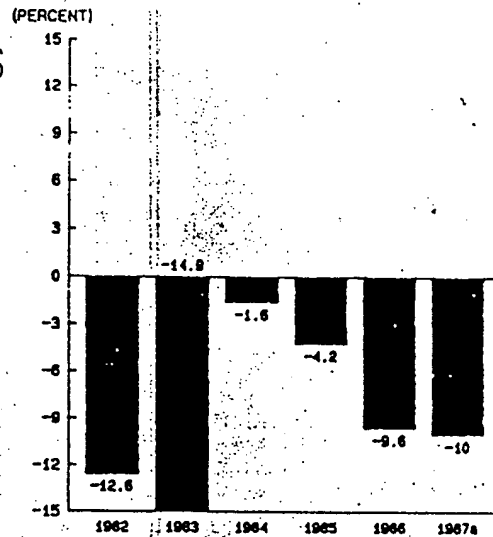
Nevertheless, at recent production levels, Qatar's losses—over \$3 million per day—are forcing the government to draw down financial reserves to cover current expenditures.

Soft oil market conditions have caused a sharp downturn in Qatar's foreign trade position. Despite the sharp contraction of imports, IMF estimates show that Doha's trade surplus fell by over half since 1981. The cut in imports has not been even, with industrial goods suffering the biggest decline. Imports of industrial machinery fell 60 percent below their 1982 peak last year, while imports of consumer goods are off a mere 19 percent to \$160 million, underscoring the regime's interest in maintaining consumer morale. The downturn since 1984 is even more pronounced in real terms because of the depreciation of the US dollar. The value of Qatar's currency and primary export—crude oil—is pegged to the dollar, which has fallen by more than 40 percent against the currencies of major trade partners.

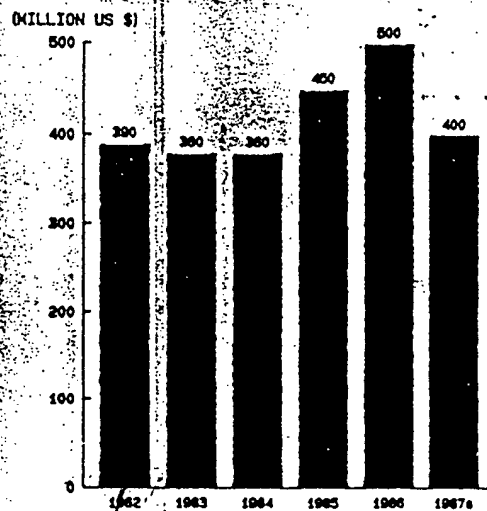
~~Secret~~

QATAR
ECONOMIC
INDICATORS
1982-1987

REAL GDP GROWTH



FOREIGN EXCHANGE RESERVES ^b



a. PROJECTED
b. YEAREND
EXCLUDING
GOLD

b3

~~Secret~~

Secret

Qatar: Current Account Balance

Million US \$

	1982	1983	1984	1985	1986*	1987*
Current account balance	612	301	1,881	683	-167	-405
Trade balance	2,412	1,901	3,381	2,383	1,333	995
Exports, f.o.b.	4,359	3,357	4,543	3,543	2,326	1,885
Oil	4,095	3,058	4,225	3,225	2,006	1,565
Nonoil	264	299	318	318	320	320
Imports, f.o.b.	1,947	1,456	1,162	1,160	993	890
Net services	-1,800	-1,600	-1,500	-1,700	-1,500	-1,400

* Estimated.

* Projected.

* Assumes average oil exports of 260,000 b/d at \$16.50 per barrel.

b1
b3

b3

Although the loss of one bank would not cripple the economy, the departure of several major foreign banks could hinder government efforts to initiate new development projects such as the North Field gas project—a major scheme to develop one of the largest natural gas deposits in the world.

b3

The 50-percent drop in oil export receipts also has taken a heavy toll on the national budget since 1982 and forced the government to adopt stringent fiscal policies. Despite national belt-tightening in recent years, projected revenues of \$1.85 billion and expenditures of \$3.36 billion will push the deficit to a record level of \$1.5 billion for the current fiscal year. The largest cuts have come in capital expenditures, with the exception of spending on defense projects such as the completion of public works at the Sayliyah military base, additional improvements at Barzan army camp, and the installation of a new radar system at Doha international airport. Most operating expenses have been maintained, leaving government salaries untouched. The fall in contract work has cut deeply into the living standards of expatriate workers.

forcing many to leave the country.

b1
b3

Defense concerns are putting a growing burden on the budget at a time of reduced revenues. The continuing border dispute with Bahrain over the Hawar Islands and the proposed sale of US F-16 aircraft to Manama have raised defense concerns in Doha. The government is taking delivery of more than \$240 million in French arms including surface-to-air missiles and advanced radars, according to the US Embassy in Doha. The government also is considering purchasing a squadron of US F-16 aircraft to offset the Bahraini purchase. Doha arranged an oil barter with Paris to finance its arms package, but the 60,000 b/d deal was discontinued last November because of oil pricing problems. The government will probably be forced to pay cash for new arms deliveries, further straining foreign exchange reserves.

b3

Secret

Secret

A Case of Relative Disparities

Qatar's discouraging economic performance over the past several years betrays its still large national wealth. Foreign investments probably exceed \$12 billion. Proved crude oil reserves are sufficient to last 30 years at current rates of recovery, and Qatar's virtually untapped natural gas reserves are the fourth largest in the world. The government has used its oil earnings to provide the 70,000 native Qataris—about 29 percent of the total population—with one of the most pervasive social welfare systems in the world including substantial education, health, housing, and employment benefits. Natives also receive monthly stipends ranging up to \$10,000.

Most Qataris who work obtain senior positions that belie their skills, while essential economic functions are performed by foreign workers.

Dealing with the inflated expectations of the population in a period of waning economic prospects almost certainly will be a primary concern of the regime over the next several years. The government will have difficulty placing growing numbers of young, poorly qualified Al Thani family members in high-level business positions because of the small size of the business community. As Al Thani youth replace skilled expatriates or non-Al Thani Qataris, the quality of decisionmaking probably will decline with a corresponding deterioration in economic performance. Competition among the growing number of ruling family members for a share of business spoils could strain family unity and alienate non-Al Thani Qataris who are denied similar benefits.

More important, emerging demographic trends will focus greater attention on the autocratic rule of the Amir. Qatari youth returning from study abroad may seek a more meaningful role in national politics. Failure to provide social outlets for increasingly affluent young Qataris raises the risk that they will become alienated and engage in greater political activism. Moreover, the greed of ruling family members and their abuse of authority could enhance the appeal of Islamic fundamentalism or other

Moving Toward a Gulf Monetary System

Qatar along with the other Gulf states is moving toward adopting a unified currency framework modeled on the European Monetary System. Partly because of concern over the US dollar's decline, executive officers from the central banks of all six member states of the Gulf Cooperation Council (GCC) have formally agreed on the principle of a joint exchange rate system—a GCC goal since its inception in 1981. Such a system would provide additional stability to Qatar's monetary system and foreign trade position. Progress probably will be slow, however, because the GCC states must first resolve several troubling political considerations and decide on a common monetary peg—the US dollar, the SDR, or a trade-weighted basket of international currencies. The SDR is the most likely peg because it circumvents bargaining on the composition of a currency basket and the linkage to the US dollar. The SDR also would more closely align Qatar's currency with those of its primary trade partners. The next opportunity for formal discussions on a unified currency probably will be the proposed GCC summit meeting in Riyadh later this year.

dogmas and open the door to foreign meddling—especially from Iran. The Amir still commands the loyalty of Qatar's small security force, which has been successful in controlling social discontent, but the force would have difficulty dealing with coordinated or widespread antiregime disturbances.

Outlook

The slowdown in Qatar's economy will probably persist until the anticipated rebound in oil demand and prices early in the next decade. Although petroleum prices have firmed in recent months, we project that reduced export volumes will cause real GDP to decline again this year. Nonetheless, Qatar's still-substantial wealth should allow the Amir to maintain living standards among the native population and preclude significant discontent over the economy during the next several years.

Secret

~~Secret~~

More troubling is the government's sharp reduction in development spending. Overzealous fiscal restraint could stifle prospects for future economic growth. A decision to start construction of the North Field gas project has been delayed for several years partly because of limited resources and the weak demand for natural gas. Further delays in this important project could adversely affect supplies of gas to Qatar's local industries, as indigenous supplies will decline sharply later in this decade. The drop in oil production already has led to a sharp fall in the production of associated gas used to fuel water desalination plants and provide feed stock for Qatar's petrochemical industry. Gas shortages reduced petrochemical production to as little as one-third of capacity for the past two years. Even if a decision is reached by June as scheduled, industry experts doubt that gas could be flowing before late 1989. Local gas shortages in the meantime will probably force Doha to burn oil instead of gas, thereby further reducing crude oil revenues.

b3
A decision to develop North Field gas for export will require Qatar to make concessions on price. **b3**
South Korean, Taiwanese, and Indian firms, as well as Turkey and several West European countries, have expressed interest in buying substantial quantities of North Field gas at a price competitive with coal. Such a price would fall well below Doha's price based on a basket of crude oils. Nevertheless, a compromise on price will be necessary to ensure growth of long-term hydrocarbon revenues and the economy. **b3**
b3
b3

~~Secret~~

~~Secret~~

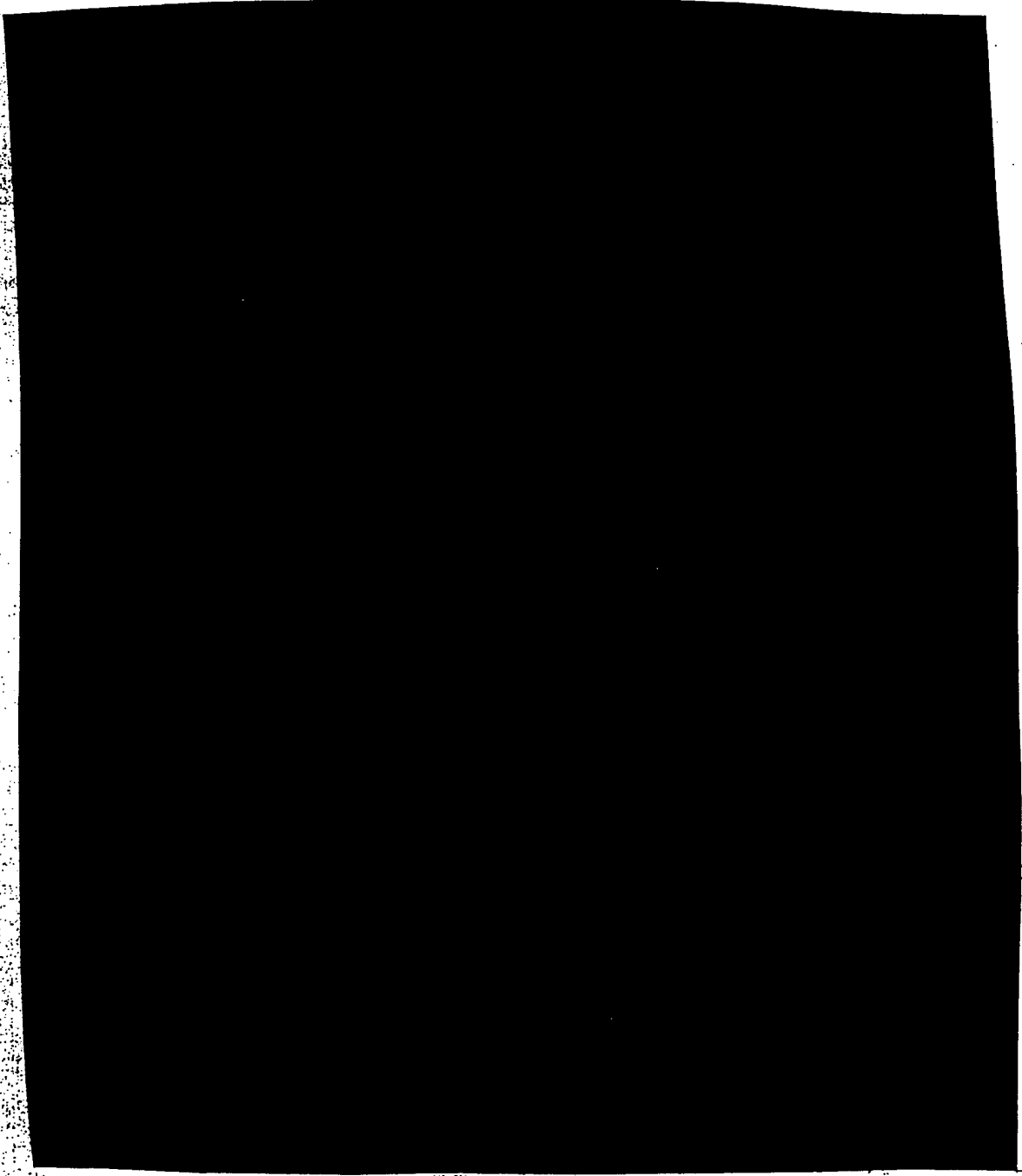
b1
b3



~~Secret~~

b1
b3

~~Secret~~



~~Secret~~

22 May 1987

b3

Secret

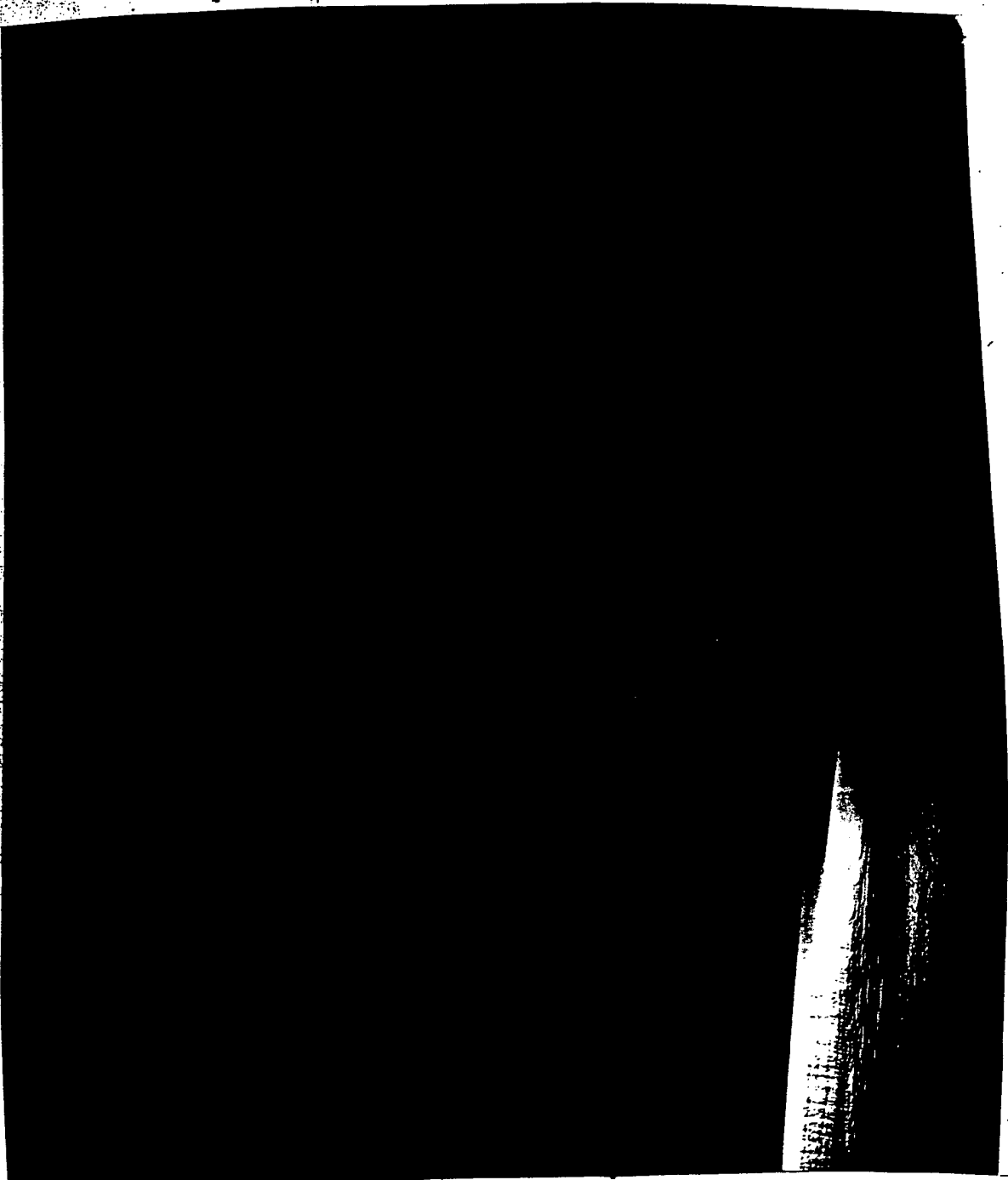
b1
b3



Secret

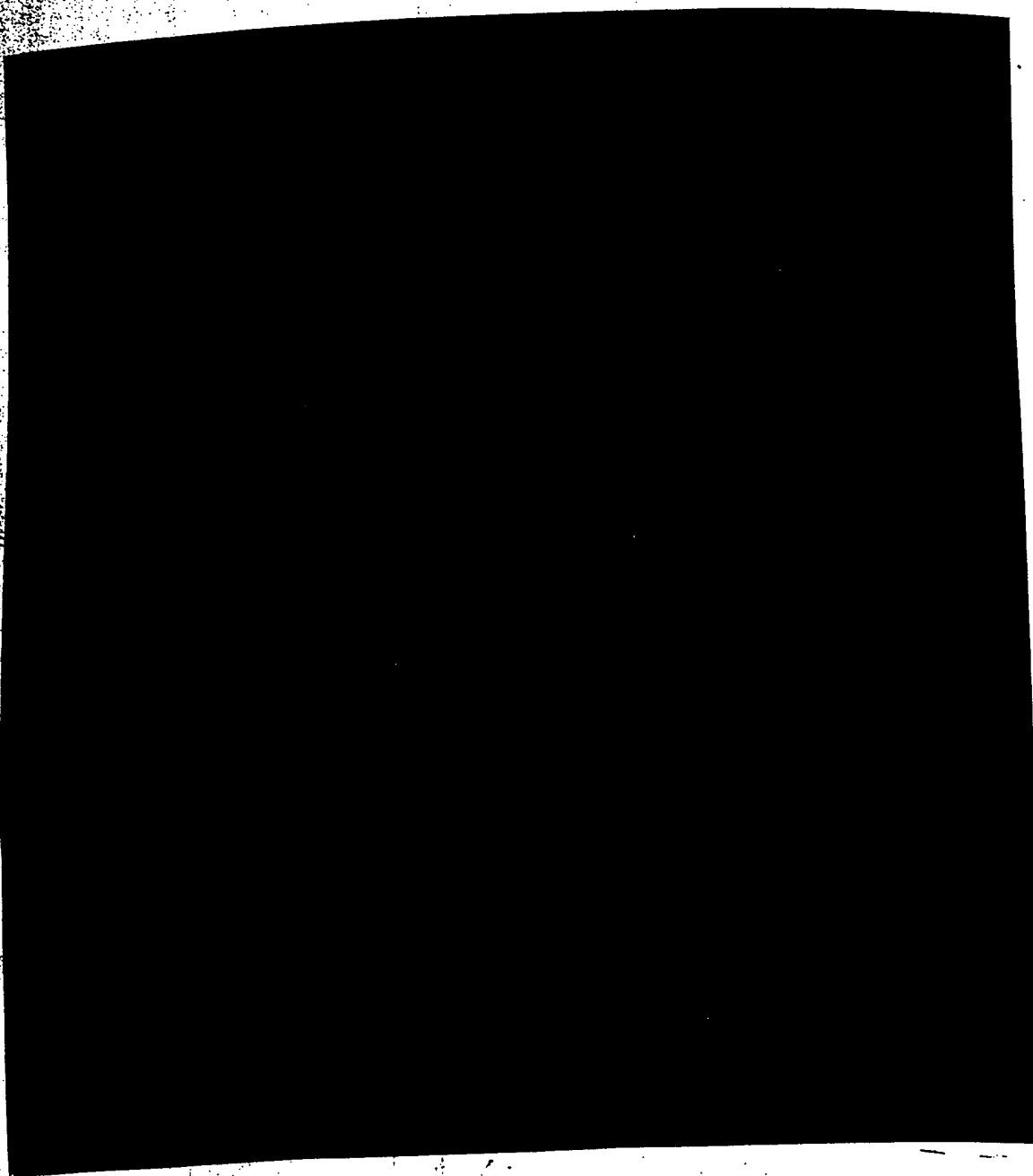
b1
b3

~~Secret~~



~~Secret~~

b1
b3

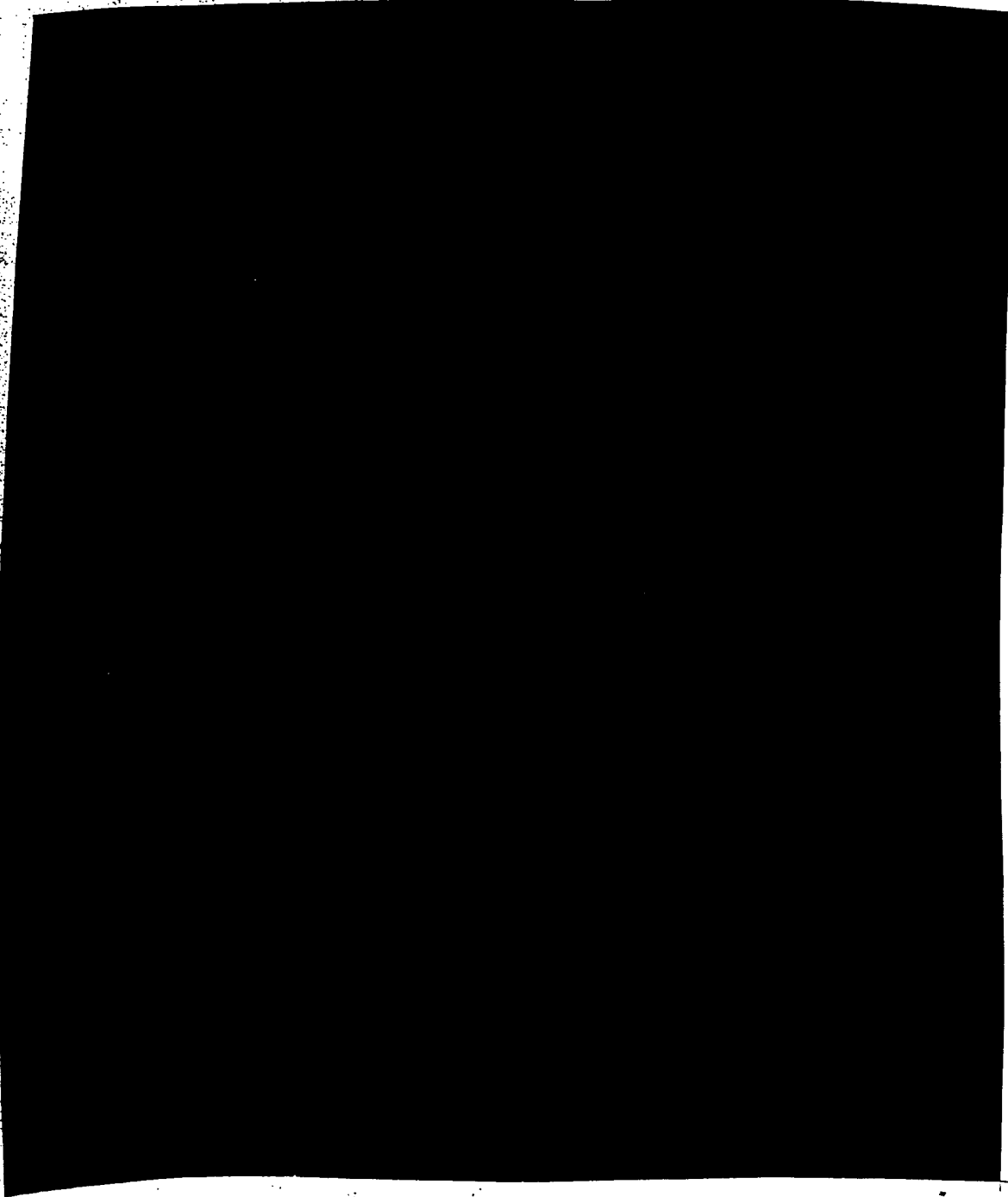


~~Secret~~

b1

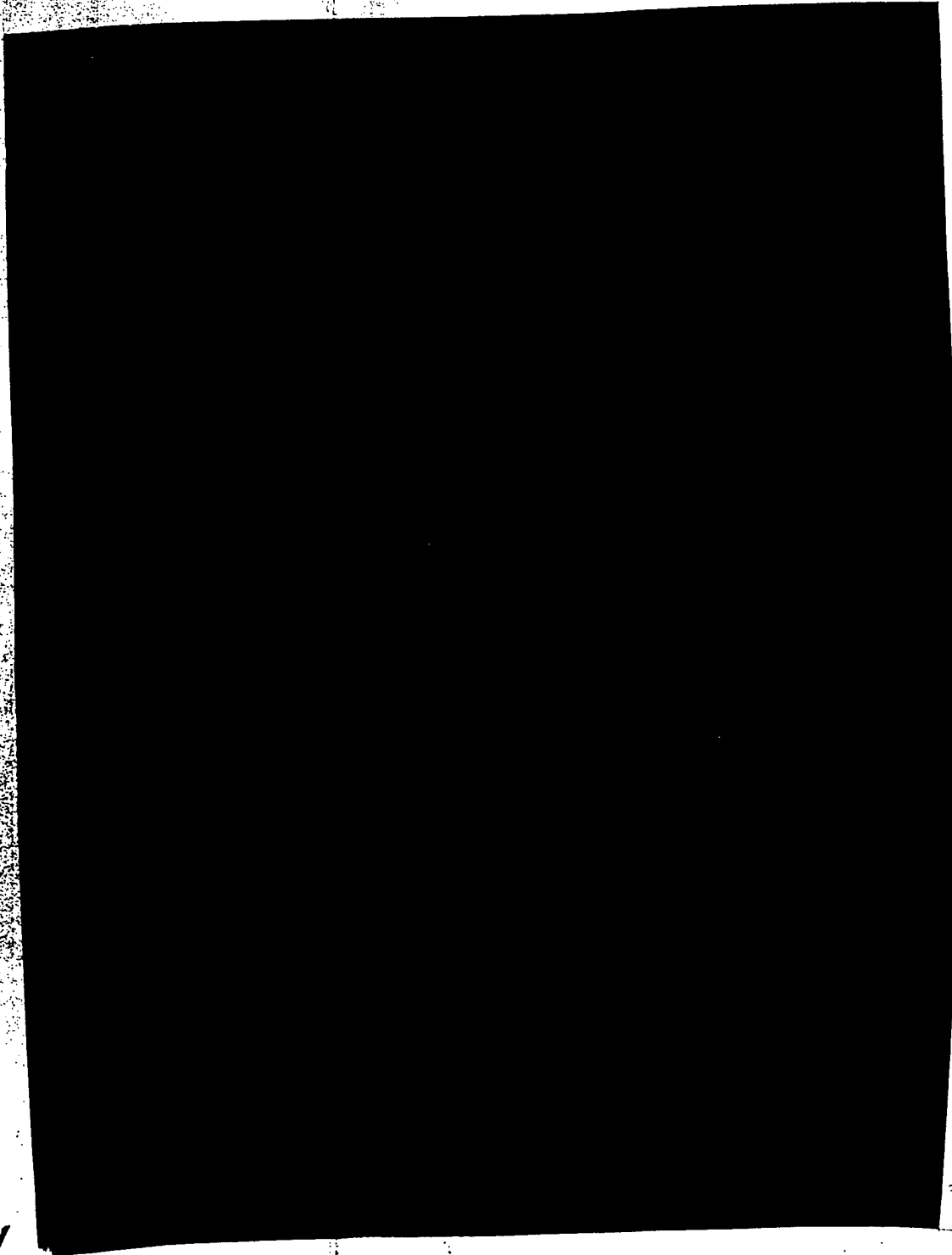
b3

~~Secret~~



~~Secret~~

b1
b3

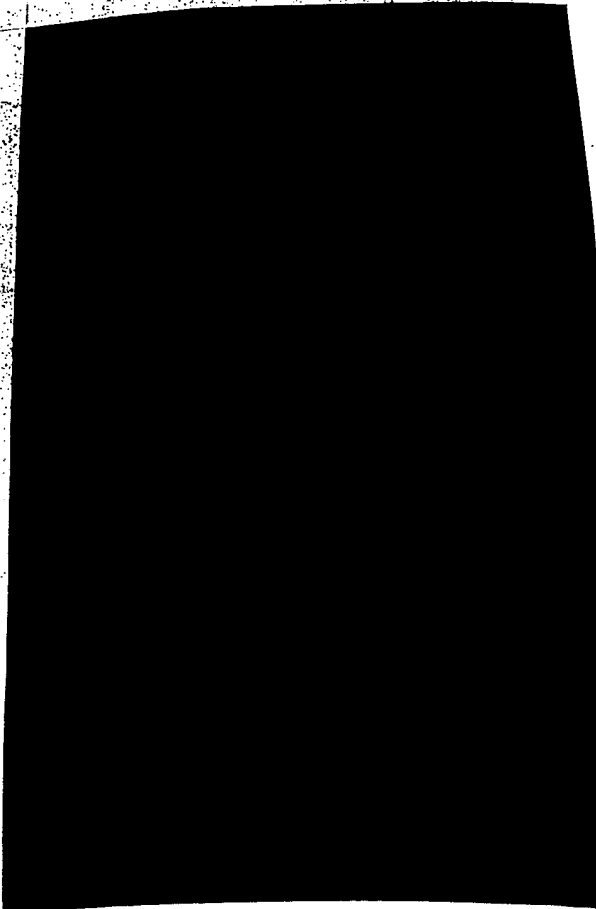


~~Secret~~

~~Secret~~

b1

b3



~~Secret~~

Reverse Blank

Loya Jirga: Key to Power in Post-Soviet Afghanistan?

The Afghan Loya Jirga—a "Great Council" of tribal, religious, and civic leaders—has been described by both the Afghan resistance and regime leaders as the key to legitimate power in Afghanistan. Loya Jirgas have been called only a few times in recent Afghan history, usually to recognize a new king or approve a ruler's new policy direction, but the jirga has served as the model for most Afghan legislatures and advisory councils. Local government has traditionally been carried out by smaller, more frequent meetings among village or tribal leaders known simply as jirgas, while tribal jirgas have been used for centuries to settle disputes or decide tribal policy.

The Kabul regime has made several attempts to use all three forms of jirga to enhance its legitimacy. The 1980 Fundamental Principles of the Democratic Republic of Afghanistan, which serves as an interim constitution, describes the jirga as the eventual "highest organ of state power of the Government of Afghanistan"—but one that cannot be instituted until "conditions are ripe." The Revolutionary Council—Kabul's current legislature—supposedly governs Afghanistan only until these "conditions" are met.

Some resistance leaders have also called for a Loya Jirga, probably in hope of unifying the resistance, creating a true government-in-exile, and further highlighting the Kabul regime's lack of legitimacy. Arguments over who would be eligible to participate, however, have prevented a resistance-led jirga from meeting. Attempts by traditionalist resistance leader Ahmad Gailani to form Loya Jirgas in 1980 and 1984 to create a government-in-exile under former King Zahir Shah fell through after boycott threats from fundamentalist resistance leaders. A proposal made in May 1987 by fundamentalist leader Gulbuddin to call elections for a representative assembly in refugee camps in Iran and Pakistan and in "liberated areas" of Afghanistan seems to be closely modeled on the

jirga format. Tribal and community representatives in the refugee camps have also made extensive use of smaller jirgas—in some cases with as few as five tribal representatives—to solve camp disputes or devise camp policies.

A Loya Jirga designed as part of a withdrawal arrangement may prove the most likely means of forming a post-Soviet government. Pakistani President Zia-ul-Haq has often suggested a Loya Jirga of delegates from Afghan resistance parties, refugee camps, and—perhaps—the People's Democratic Party of Afghanistan (PDPA), who would draw up a new Afghan constitution and allocate government positions. Although resistance leaders Ahmad Gailani and Sibghatullah Mojadedi are willing to join such a jirga, fundamentalist leaders such as Gulbuddin Hekmatyar and Abdul Rasul Sayyaf have proclaimed that they will never meet with Communist leaders. Resolving the question of who would participate in such a jirga and what powers it would have may prove a roadblock to peace second only to that of the Soviet presence itself, but we believe it is one that must be resolved for Afghanistan to have a chance of a stable post-Soviet government.

Political Power and the Loya Jirga

There have traditionally been three sources of law in Afghan society: Islamic law, tribal codes, and the decisions reached by tribal and Loya Jirgas. Obedience and respect in traditional Afghan society are based less on a leader's lineage than on how well that leader fulfills his duty according to the dictates of Islam and the tribal codes. Historically, Afghan kings ruled by divine sanction rather than by divine right, and a ruler who disregarded Islamic and tribal codes was, by definition, a usurper. It was the jirga that has limited the power of Afghan central

Secret

governments. Since the jirga vote is the basis of a leader's legitimacy, the result has often been an unstable government that must keep the tribes happy. But the institution also gave traditional Afghan governments a wide institutional base and a degree of popular legitimacy rare among traditional societies.

b3
The first recorded Loya Jirga took place in 1747 and elected Ahmad Shah Abdali as paramount chief and the first king of Afghanistan. Subsequent jirgas were called to strengthen various rulers' claims to the throne or to approve controversial programs. The most blatant attempt to engineer a Loya Jirga's decision was made by King Amanullah in 1928. After a first jirga of about 1,000 of Afghanistan's most influential tribal, ethnic, and religious leaders rejected the King's reforms—which included calls for separation of mosque and state, the unveiling and emancipation of women, enforced monogamy, and compulsory education—the King disbanded the jirga and convened a smaller jirga of about 100 government employees and supporters who promptly passed his program. The first gathering was widely perceived as the true Loya Jirga, and King Amanullah—who by defying the Loya Jirga had proven himself an un-Islamic leader—was deposed. After a year's turmoil and a nine-month reign by Habibullah, the "Bandit King," the new King Nadir Khan assembled yet another Loya Jirga to confirm his rule and revoke Amanullah's hated reform program. **b3**

Jirga and Democracy

Traditionally, all adult men were eligible to be delegates to a Loya Jirga, and all delegates had an equal right to speak. Votes were taken either by consensus or a show of hands. The decision of a Loya Jirga was binding on all participants, regardless of their previous position. Those delegates that disregarded the ruling were severely punished. Despite the similarity between the jirga and the New England town meeting where all members of a community may have their say, the jirga was not an entirely democratic institution. Jirga representatives were usually the tribal and religious elite and were often appointed by the very king whose policies they were to judge. The Loya Jirga reinforced this elite's control over the population since—through the

jirga—they served as many villages' only link to the central government. In return for their support, tribal leaders lobbied the crown for gifts and arms, which, according to academic studies, they then used to cement their position. **b3**

The PDPA and Soviet Use of Jirgas

The PDPA has repeatedly staged jirgas to gain a culturally acceptable "popular mandate" and bolster its claim to legitimacy. In addition to several tribal jirgas, the Ministry of State Security brought about 2,000 tribesmen into Kabul in April 1985 to convene a "People's Loya Jirga." **b1, b3**

b1, b3
[redacted], delegates were forced to sign a "unanimous" statement praising the Soviet presence in Afghanistan. Attendees who questioned the document or procedure were summarily thrown into prison for "prorebel sympathies." The regime also held jirgas in 1985 to elect members of local councils in Kabul, Feyzabad, and Saranj. **b1, b3**

b1, b3
[redacted] the single slate of candidates was presented for the first time to the delegates only minutes before the voting. Regime and secret police officials stood by with cameras to discourage "no" votes, while newspaper photos of the jirgas show small children raising their hands to be counted along with other "voters." **b1, b3**
[redacted] a woman who later fled to Pakistan claims that her own "election" consisted of a summons from the local party headquarters, where she was given a plane ticket to Kabul and a prepared speech to deliver upon her arrival. Few Afghans take these staged jirgas seriously **b1, b3** and many Kabul residents joked that members of a September 1985 tribal jirga were probably resistance fighters taking advantage of regime bribes and a free trip to Kabul. **b3**

Despite this lack of support, the Kabul regime appears intent on using jirga-type assemblies to demonstrate mass support for its program. **b1, b3**
[redacted]

Secret

The Loya Jirga in Afghan History

A Loya Jirga is a national council of notables, tribal chiefs, and religious leaders that serves both to recognize Afghan leaders and to approve new government programs or reforms. The Loya Jirga is based on the Pashtun tribal jirgas, in which village and tribal disputes are resolved by a council of village elders, and has traditionally served as the main link between Afghans and their government.

April 1747	Loya Jirga elects Ahmad Shah Abdali as paramount chief and first king of Afghanistan.	1949	A Loya Jirga approves the cancellation of the Anglo-Afghan treaties concerning the Durand Line and demands the creation of "Pashtunistan" out of Pashtun lands on both sides of the Afghan-Pakistani border.
1869	Amir Sher Ali summons a Loya Jirga to approve the suppression of his brother's rebellion.		
1880	Amir Abdur Rahman convenes a Loya Jirga to serve as a permanent advisory body.	1955	A Loya Jirga approves acceptance of Soviet military aid for Afghanistan.
1885	Amir Abdur Rahman convenes a Loya Jirga to approve his state visit to India.	September 1964	King Zahir convenes a Loya Jirga to approve a new constitution for Afghanistan converting the country into a constitutional monarchy.
1888	Abdur Rahman again calls for a Loya Jirga after Sardar Mohammad Ishaq rebels.	January 1977	President Daud calls upon a Loya Jirga to approve a constitution converting Afghanistan into a republic.
July 1924	King Amanullah convenes a Loya Jirga to approve the first Afghan constitution.	April 1985	Babrak Karmal convenes a Loya Jirga to approve the Soviet presence in Afghanistan. Dissenters were thrown into prison, while resistance fighters cut off both hands of two signatories two days after the proclamation's release.
August 1928	King Amanullah summons a Loya Jirga to approve a major program of modernizing reforms.		
September 1930	Nadir Khan calls upon a Loya Jirga to confirm his elevation to the throne after deposing Amir Habibullah.		
November 1941	King Zahir calls on a Loya Jirga to approve the expulsion of Axis nationals as demanded by Britain and Russia.		

b3

Secret

represented by local party members in regional jirgas. Representatives elected by these regional jirgas then take part in district-level jirgas— which in turn report to provincial-level jirgas—a system closely modeled on the Soviet party system but given an Afghan veneer with the name "jirga." b3

Resistance Attempts at a Jirga

Resistance attempts to convene all seven Peshawar-based insurgent parties have been derailed by feuding between the groups, but smaller jirgas within Afghanistan have been successful in increasing cooperation between insurgents from different resistance parties. b3

b1
b3
The resistance has also used the jirga to adjudicate differences with Pakistani tribes and to win over previously pro-Kabul tribes. b3

b1
b3
In our view, the greatest roadblock to a resistance Loya Jirga is the question of the council's makeup. Fundamentalists such as Gulbuddin Hekmatyar oppose the participation of Afghans who have not taken direct part in the resistance struggle, a position we believe is strengthened by the likelihood that this group would support Gulbuddin's traditionalist rivals. A new, younger Afghan

leadership of battle-tested commanders is also likely to contest the chiefs and mullahs who previously made up many jirgas' membership. We also believe that traditionalist groups such as Ahmad Gafani's National Islamic Front are likely to contest the legality of any Loya Jirga not formed along traditional lines and might succeed in blocking any council not to their liking. b3

Prospects

A Loya Jirga offers the best chance of setting up an interim government that has wide representation while still retaining the greatest appearance of legitimacy. It also offers a neutral format that would allow resistance and regime figures to work together without losing face. Representatives of both the Kabul regime and the resistance parties—including members of the various ethnic, regional, and interest groups—could meet to draw up a new Afghan constitution and a slate of candidates for government positions. The jirga might also agree on a neutral figure such as former King Zahir Shah to lead the government until elections could be held. b3

A successful Loya Jirga could also help contain the factional violence that is likely to break out after a Soviet withdrawal by giving members of all groups a stake in the new regime. It will take more than a "Great Council" to heal the hatreds and divisions separating Communist Party members from the resistance and members of one resistance party from another, yet a traditionally legitimate institution that brings members of all factions together and presses them to compromise holds at least the hope of a solution. b3

King Zahir Shah's 1964 Loya Jirga will probably serve as the most appropriate model for an interim or post-Soviet jirga. Unlike most previous Loya Jirgas, which were stacked with king's men, the 1964 Loya Jirga featured delegates who were appointed and elected from throughout Afghanistan (including, for the first time, six women). Debates were broadcast daily, and, in another first, dissenters were permitted to put their arguments into writing, which were then

Secret

~~Secret~~

circulated throughout Kabul. The delegates named to the jirga were later nominated for election to the new national legislature, which was itself modeled on the jirga. **b3**

The crucial question for a Loya Jirga remains that of its membership and goals. Even if hardline fundamentalists such as Gulbuddin willingly sit down to negotiate with former PDPA members, it is problematical whether the groups could reach an accord. A Loya Jirga that is widely recognized as a true national assembly can, we believe, serve as the basis for mutual recognition between warring Afghan factions, but a jirga begun hastily without common ground for debate or the appearance of legitimacy is more likely to lead to continued warfare and to serve as a pretext for continued Soviet involvement in Afghanistan. **b3**

b3

~~Secret~~

Secret

Nepal-North Korea: Drug
Allegations Sully the
Relationship **b3**

Accumulating circumstantial evidence linking North Korean diplomats to illicit activities, including drug trafficking, is putting a strain on Kathmandu's relations with P'yongyang. Revelations in early 1987 suggest that North Korea continues to abuse diplomatic pouch privileges to move significant amounts of valuable contraband into and through Nepal. The practice has led some officials in Kathmandu to consider expelling North Korean diplomats or even calling for the entire mission to be withdrawn. Nepal is unlikely to do either, however, fearing revelations of illegal activities by high-level Nepalese officials and damage to its regional policies.

b3
P'yongyang's Dirty Laundry

b1
b3
b1, b3
[redacted] that the North Korean diplomatic mission in Kathmandu is becoming increasingly involved in illicit activities—smuggling, illegal currency transfers, and drug trafficking, among others—[redacted]

Kathmandu expelled two North Korean diplomats in 1986 on smuggling charges. [redacted]

[redacted]

[redacted]

[redacted]

b1
b3

b1
b3

Secret

May 1987

b3

~~Secret~~

b1
b3

Nepalese Enforcement Inhibitions

Although the "North Korean connection" probably accounts for only a small part of the drugs that move through Nepal, the involvement of the North Korean mission with Nepalese underworld figures such as Sharma underscores the challenge to effective drug enforcement in Nepal. Antidrug efforts must contend with a sophisticated network of corrupt officials, highly placed patrons, international businessmen, and corrupt diplomats. The government appears unprepared to take the measures necessary to break the strong links protecting both drug traffickers and smugglers. Recent changes in drug interdiction procedures will do little more than harass small-time couriers and street dealers and have little influence on drug and smuggling kingpins.

b3

b1
b3

~~Secret~~

Secret

b3
b1
b3

The government canceled a planned trip by a delegation to North Korea for the 75th birthday of North Korean President Kim Il-song. No member of the royal family attended North Korean Embassy celebrations in Kathmandu to mark Kim's birthday.

The Government of Nepal is also backing away from commitments to Seoul [REDACTED]

changes in late spring 1987. The proposed improvements in the current antidrug corps could empower local officials to take a more active role.

b1
b3

b1
b3

North Korea supports Kathmandu's proposal to have the United Nations declare Nepal an international zone of peace—a project dear to King Birendra. Kathmandu is unlikely to jeopardize support for the proposal from Asian countries by breaking diplomatic relations or taking high-level punitive action.

[REDACTED]

Prospects

Nepalese drug enforcement agencies and revenue intelligence officers are unlikely to move against the major players in the Nepalese-North Korean smuggling network because of the high-level links between drug traffickers, smugglers, and diplomats.

b1
b3

[REDACTED]

b1
b3

[REDACTED] North Korean diplomats apparently are willing to take the risks involved in smuggling to make fast profits and to accept an occasional diplomatic casualty when patronage and diplomatic pressure cannot prevent public disclosure.

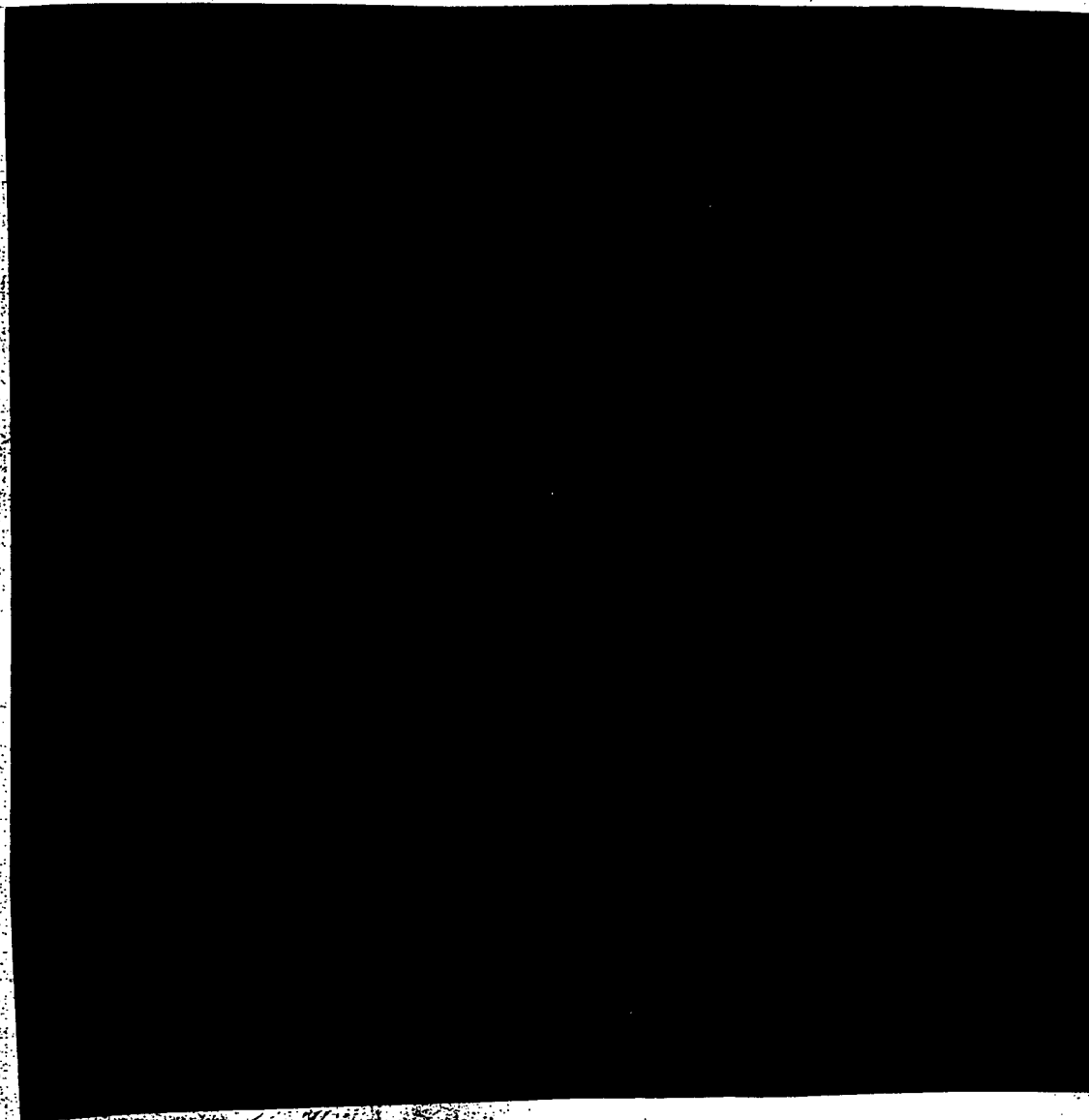
b3

Kathmandu responded to US and other Western pressures to improve its antidrug program by announcing personnel shifts and organizational

Secret

~~Secret~~

Near East and
South Asia Briefs



b1
b3

57

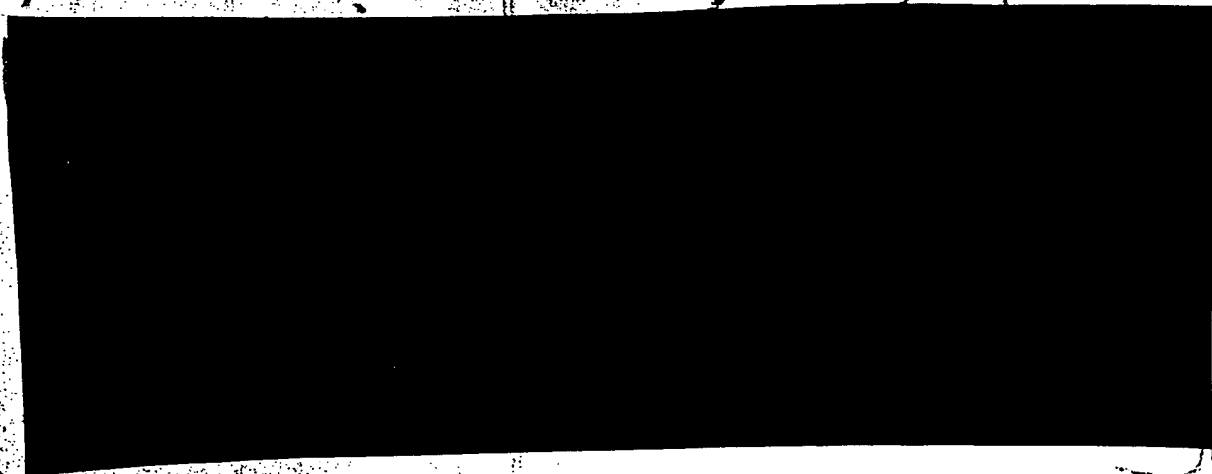
~~Secret~~

2 May 1987

b3

3 1 8 8

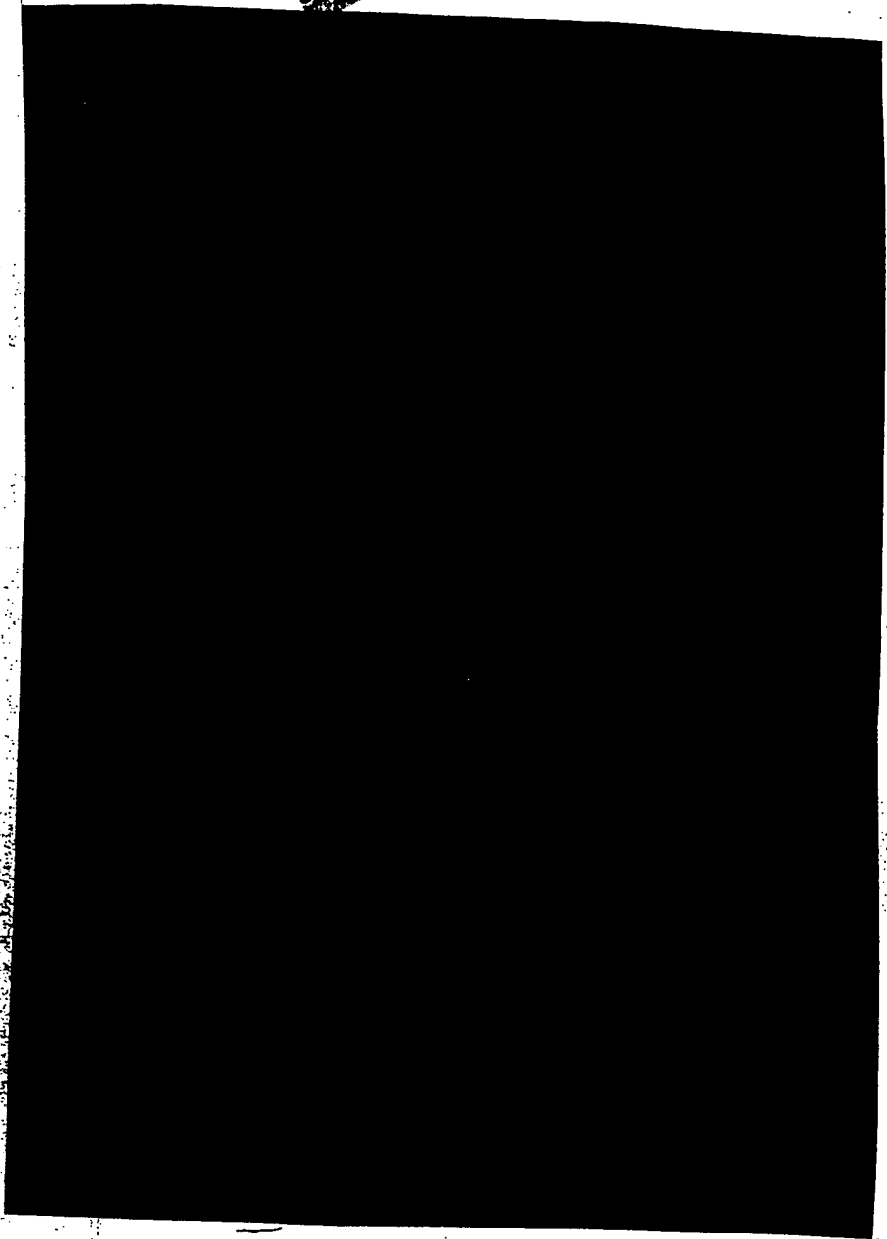
b1, b3



~~Secret~~

b1
b3

~~Secret~~

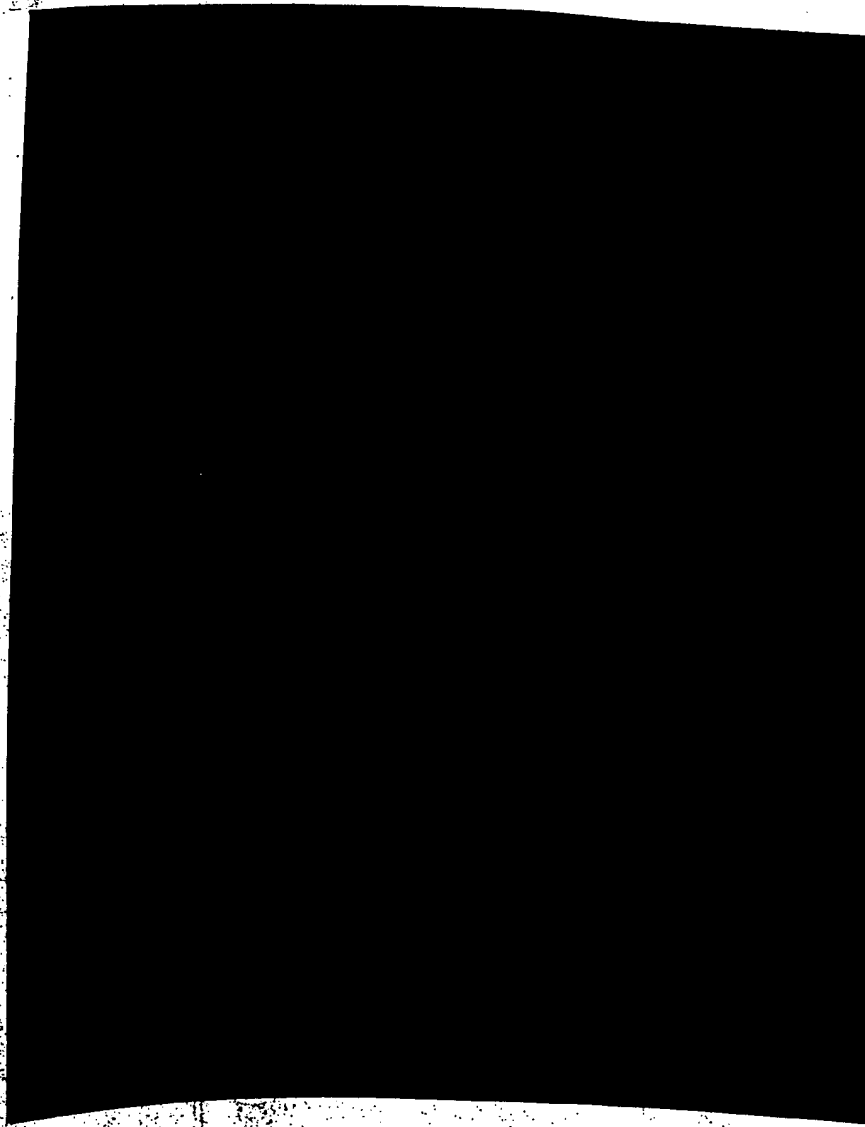


~~Secret~~

22 May 1987

b3

~~Secret~~
b1
b2



~~Secret~~

60

3 1 9 1